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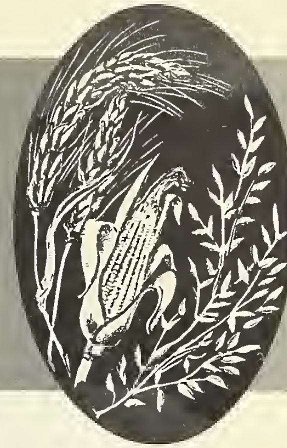

GRAIN
FG 1-62
January 1962

WORLD BREADGRAIN CROP MODERATELY BELOW 1960

World breadgrain production in 1961 is estimated at 270 million short tons, according to the Foreign Agricultural Service. This is slightly less than the first forecast (Foreign Crops and Markets, monthly world crops and livestock summaries issue of September 28, 1961) mainly because estimates for the Soviet Union and Mainland China have been reduced to reflect unfavorable growing conditions in parts of these important producing countries.

The current estimate for 1961 is 4 percent less than the bumper crop last year, and is also below average. The reduction from the 1960 total is in wheat production; the rye crop was slightly larger. The world wheat crop of 7,755 million bushels was 405 million below last year. The reduction was widespread, the only exceptions being the Soviet Union and South America; those areas have larger outturns than in 1960.

Rye production of 1,340 million bushels, was 10 million above last year and at least as large as in 1960 in all areas except North America. Both the United States and Canada have somewhat smaller crops this year.

In North America wheat production of 1,549 million bushels is sharply below the 1,897 million bushels harvested last year. It is also less than average because of the below-average Canadian outturn. All other countries had above-average crops. The Canadian outturn of 262 million bushels was from a larger acreage than in 1960 but yields were 10 bushels per acre smaller.

The U.S. crop December estimate is 1,235 million bushels compared with 1,357 million last year. Acreage was slightly smaller but most of the crop reduction is attributed to lower yields than the record in 1960. Mexico harvested a record crop this year.

WHEAT: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/ Average 1950-54	Acreage 2/ 1959	Acreage 2/ 1960	Acreage 2/ 1961 4/	Yield per acre 3/ Average 1950-54	Yield per acre 3/ 1959	Yield per acre 3/ 1960	Yield per acre 3/ 1961 4/	Production Average 1950-54	Production 1959	Production 1960	Production 1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	26,130	23,065	23,198	23,792	20.6	17.9	21.1	11.0	537,632	413,520	489,624	261,679
Mexico	1,647	2,338	1,853	2,100	13.2	19.9	26.8	24.5	21,788	46,500	49,600	51,400
United States	63,361	51,781	51,896	51,620	17.3	21.7	26.2	23.9	1,094,183	1,121,118	1,357,272	1,234,705
Estimated total 5/	91,200	77,270	77,030	77,600	18.1	20.5	24.6	20.0	1,654,000	1,582,000	1,897,000	1,549,000
Europe:												
Austria	573	661	685	682	29.5	32.7	37.7	38.1	16,920	21,620	25,800	26,000
Belgium	421	497	498	485	48.2	58.4	57.4	52.2	20,278	29,000	28,570	25,300
Denmark	195	218	203	259	54.5	61.4	57.9	51.8	10,630	13,375	11,760	13,400
Finland	377	344	447	586	23.2	25.9	30.2	29.7	8,739	8,900	13,500	17,400
France	10,916	10,970	10,769	9,785	28.9	38.7	37.6	35.4	315,244	425,000	405,000	346,500
Germany, West	2,728	3,295	3,429	3,435	40.4	50.2	53.0	43.1	110,228	165,540	181,750	148,000
Greece	2,410	2,875	2,820	2,630	16.6	22.6	21.7	22.2	40,042	65,000	61,200	58,500
Ireland	362	282	365	350	36.0	48.2	47.1	43.7	13,036	13,600	17,200	15,300
Italy	12,085	11,600	11,300	10,600	23.8	26.8	22.1	28.4	288,080	311,200	250,000	301,300
Luxembourg	45	--	--	--	30.7	--	--	--	1,382	--	--	--
Netherlands	209	297	313	303	54.4	63.6	69.2	57.8	11,376	18,900	21,670	17,500
Norway	56	23	22	26	30.0	31.7	38.2	38.5	1,682	730	840	1,000
Portugal	1,785	2,094	1,920	1,630	13.2	10.9	9.8	9.6	23,526	22,900	18,800	15,700
Spain	10,470	10,774	10,230	9,390	14.8	16.2	12.7	12.8	155,000	175,000	130,000	120,000
Sweden	896	778	836	679	33.1	39.5	36.2	44.5	29,640	30,725	30,260	30,200
Switzerland	225	256	258	279	41.9	47.5	51.6	41.6	9,430	12,150	13,300	11,600
United Kingdom	2,263	1,929	2,102	1,827	41.8	53.9	53.3	51.1	94,640	104,000	112,000	93,400
Estimated total Western Europe 5/	46,020	46,940	46,260	43,010	25.0	30.3	28.6	28.9	1,150,000	1,420,000	1,325,000	1,245,000
Bulgaria	3,540	3,439	3,113	--	18.6	22.1	23.6	--	66,000	76,000	73,500	--
Czechoslovakia	1,840	1,875	1,610	--	28.5	29.9	34.3	--	52,500	56,000	55,200	--
Germany, East	1,120	1,075	1,075	--	34.0	44.5	46.5	--	38,100	47,800	50,000	--
Hungary	3,400	2,759	2,600	2,840	21.3	25.4	25.0	24.6	72,500	70,150	65,000	70,000
Poland	3,730	3,546	3,363	--	19.0	25.9	25.2	--	70,800	92,000	84,600	--
Rumania	6,710	7,383	7,010	7,335	16.2	19.9	18.1	18.4	108,750	147,000	126,750	135,000
Yugoslavia	--	5,263	5,090	4,843	--	28.8	25.8	24.1	80,000	151,750	131,170	116,500
Estimated total Eastern Europe 5/	25,500	25,600	24,110	24,520	19.2	25.2	24.5	23.9	490,000	645,000	590,000	585,000
Estimated total all Europe 5/	71,520	72,540	70,370	67,530	22.9	28.5	27.2	27.1	1,640,000	2,065,000	1,915,000	1,830,000
U.S.S.R. (Europe and Asia) 6/	111,500	157,000	148,500	155,000	11.1	12.1	11.4	12.3	1,240,000	1,900,000	1,700,000	1,900,000

Asia:												
Iran	--	--	--	--	--	--	--	--	76,400	110,000	96,000	103,000
Iraq	1,871	--	--	--	11.9	--	--	--	22,210	21,000	22,000	26,000
Israel	90	137	135	106	11.1	19.7	11.1	18.9	1,000	2,700	1,500	2,000
Jordan	651	525	--	--	8.6	7.2	--	--	5,600	3,800	1,600	5,100
Lebanon	165	153	128	143	11.5	6.0	5.7	9.0	1,902	920	735	1,290
Syria	2,277	2,100	1,900	--	11.6	7.0	6.3	--	26,510	14,700	12,000	16,400
Turkey	13,514	15,500	15,600	15,500	15.8	14.5	16.7	14.5	213,590	225,000	260,000	225,000
China	--	--	--	--	--	--	--	--	890,000	--	--	--
India	24,456	31,141	32,542	31,750	10.4	11.7	11.6	12.5	253,950	365,000	376,700	398,000
Pakistan	10,380	12,000	12,192	11,603	12.4	12.0	11.9	12.2	129,124	144,000	144,700	141,300
Japan	1,766	1,486	1,489	1,603	30.2	35.0	37.8	40.8	53,322	52,000	56,250	65,400
Korea, South	245	310	306	--	14.2	17.1	16.7	--	3,477	5,300	5,120	6,300
Estimated total 5/	127,820	138,260	144,410	136,570	13.8	13.8	13.3	13.4	1,765,000	1,915,000	1,920,000	1,830,000
Africa:												
Algeria	4,267	4,302	4,725	4,622	9.7	9.4	11.6	5.2	41,508	40,600	55,000	24,000
Egypt	1,631	1,531	1,512	1,436	30.1	34.6	36.4	36.8	49,060	53,000	55,000	52,800
Morocco	3,674	3,870	4,099	3,845	10.2	9.1	9.6	6.1	37,534	35,100	39,200	23,300
Tunisia	2,399	3,274	3,346	--	8.3	5.9	5.0	--	19,796	19,300	16,600	--
Republic of South Africa 7/	3,020	3,156	--	--	7.6	8.6	--	--	23,040	27,200	28,150	--
Estimated total 5/	16,480	17,960	18,580	16,940	11.2	10.9	11.3	8.9	185,000	195,000	210,000	150,000
South America:												
Argentina	11,871	10,818	8,893	--	18.2	19.9	16.9	--	216,204	215,000	150,000	190,000
Brazil	1,475	2,100	1,850	--	12.5	6.5	7.0	--	18,500	13,600	13,000	--
Chile	1,910	2,185	2,110	2,125	18.7	18.6	19.6	--	35,764	40,600	41,300	--
Colombia	430	395	410	395	11.3	13.0	12.9	13.2	4,860	5,140	5,300	5,200
Peru	410	370	370	--	14.2	15.9	16.2	--	5,814	5,900	6,000	6,200
Uruguay	1,515	725	1,290	1,240	14.8	9.2	11.8	12.4	22,376	6,700	15,160	15,400
Estimated total 5/	17,840	16,840	15,180	16,660	17.1	17.2	15.5	16.5	305,000	290,000	235,000	275,000
Oceania:												
Australia	10,716	12,173	13,439	13,910	16.9	16.3	20.4	15.1	181,150	198,500	273,750	210,000
New Zealand	116	163	165	173	40.7	53.4	50.0	--	4,720	8,700	8,250	--
Total Oceania	10,832	12,336	13,604	14,083	17.2	16.8	20.7	15.6	185,870	207,200	282,000	219,000
Estimated world total 5/	447,190	492,210	487,670	484,380	15.6	16.6	16.7	16.0	6,975,000	8,155,000	8,160,000	7,755,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of the Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1961 is combined with preliminary forecasts for the Southern Hemisphere harvests, which begin late in 1961 and end early in 1962. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Revised estimates for Northern Hemisphere countries, for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Tentative unofficial estimates for production. 7/ Production on European holdings only.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research and related information.

RYE: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	1,159	517	543	520	16.6	15.8	18.6	12.0	19,260	8,149	10,125	6,229
United States	1,619	1,457	1,684	1,542	12.8	15.8	19.6	17.7	20,785	23,076	33,052	27,262
Total	2,778	1,974	2,227	2,062	14.4	15.8	19.4	16.2	40,045	31,225	43,177	33,491
Europe:												
Austria	601	538	421	523	27.5	30.5	33.0	34.6	16,508	16,410	13,900	18,100
Belgium	205	162	152	111	43.1	42.8	51.8	44.7	8,832	6,930	7,870	4,960
Denmark	323	299	388	452	38.2	38.1	46.1	37.4	12,332	11,380	17,870	16,900
Finland	276	255	274	232	24.3	25.1	26.8	25.0	6,694	6,400	7,330	5,800
France	1,104	811	738	652	18.4	22.8	22.3	20.9	20,327	18,490	16,430	13,600
Germany, West	3,427	3,521	3,253	2,922	38.3	43.4	45.9	33.8	131,400	152,900	149,400	98,900
Greece	155	81	71	61	13.7	13.1	15.5	15.7	2,120	1,060	1,100	960
Italy	238	167	155	148	21.7	24.8	23.7	25.0	5,160	4,140	3,670	3,700
Luxembourg	14	--	--	--	31.4	--	--	--	439	--	--	--
Netherlands	428	355	375	295	43.6	42.8	48.3	43.4	18,644	15,180	18,130	12,800
Norway	2	3	3	2	30.0	30.0	50.0	50.0	60	90	150	100
Portugal	652	672	664	523	11.1	10.3	6.9	6.3	7,227	6,900	4,570	3,300
Spain	1,526	1,406	1,236	1,198	12.7	15.1	12.3	10.4	19,390	21,260	15,160	12,440
Sweden	312	240	257	185	33.0	34.6	35.2	40.6	10,302	8,300	9,040	7,520
Switzerland	35	31	35	30	41.1	50.8	52.3	50.0	1,438	1,575	1,830	1,500
United Kingdom	59	14	19	21	35.1	37.1	37.9	38.1	2,072	520	720	800
Estimated total Western Europe 5/	9,360	8,570	8,050	7,370	28.1	31.7	33.2	27.4	263,000	272,000	267,000	202,000
Bulgaria	530	224	222	--	16.0	16.1	13.5	--	8,500	3,600	3,000	--
Czechoslovakia	1,550	1,300	1,065	--	26.5	29.2	33.1	--	41,100	38,000	35,230	--
Germany, East	3,110	2,548	2,548	--	26.8	31.3	30.1	--	83,300	79,760	76,800	--
Hungary	1,275	875	744	600	19.4	19.9	18.8	19.7	24,700	17,450	13,950	11,800
Poland	12,345	12,852	12,657	--	19.0	24.8	24.6	--	235,000	319,000	311,000	--
Rumania	500	295	242	--	16.6	17.1	16.8	--	8,300	5,050	4,065	--
Yugoslavia	--	583	526	445	--	17.9	17.4	16.9	8,500	10,430	9,170	7,500
Estimated total Eastern Europe 5/	19,990	18,710	18,040	17,840	20.5	25.3	25.1	25.4	410,000	473,000	453,000	453,000
Estimated total all Europe 5/	29,350	27,280	26,090	25,210	22.9	27.3	27.6	26.0	673,000	745,000	720,000	655,000
U.S.S.R. (Europe and Asia) 6/	54,000	42,175	40,030	42,000	12.8	14.2	13.0	14.3	690,000	600,000	520,000	600,000
Asia:												
Turkey	1,410	1,621	1,425	1,500	16.1	12.3	16.5	16.0	22,700	20,000	23,500	24,000
South America:												
Argentina	2,222	3,254	1,811	2,200	11.7	12.8	11.0	11.4	26,000	41,730	20,000	25,000
Africa:												
Republic of South Africa	56	--	--	--	6.4	--	--	--	360	--	--	--
Estimated world total 5/	90,130	76,690	71,960	73,350	16.1	18.8	18.5	18.3	1,455,000	1,440,000	1,330,000	1,340,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1961 is combined with preliminary forecasts for the Southern Hemisphere harvests, which begin late in 1961 and end early in 1962. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Revised estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Tentative unofficial estimates for production.

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The wheat crop in Western Europe is now estimated at 1,245 million bushels, 15 million above earlier forecasts. Revised estimates in a number of countries account for the larger total, but the largest increase is in Italy where the present estimate of 301 million bushels is well above average and 20 percent above the poor 1960 outturn. Rye production in Western Europe is estimated at 202 million bushels, little change from earlier estimates.

Wheat production in Eastern Europe is estimated at 585 million bushels, slightly less than in 1960 but about 20 percent above the 1950-54 average. The gain since that period has been in yields, with acreage a million acres less than the average. Rye production of 453 million bushels is unchanged from a year ago.

Tentative, unofficial estimates place the Soviet wheat crop at 1.9 billion bushels. Though well above the 1960 estimate of 1.7 billion, it is considerably below the record harvest of 2.3 billion in 1958. Acreage was well above 1960 though not up to the high level of 1958 and 1959. While a good winter wheat crop was harvested, especially in the Ukraine, spring wheat was hurt by serious drought.

Soviet rye production is estimated at 600 million bushels. This is well above the 1960 harvest of 520 million bushels but still below the 1950-54 average of 690 million. Sharply declining rye acreage brought the 1961 acreage to an estimated 42 million acres from the 1950-54 level of 54 million.

Asia's wheat total is 1,830 million bushels. This is 5 percent less than the bumper 1960 harvest. Outturns were larger than last year in most countries but were considerably less in Turkey and Mainland China, more than offsetting the gains in other areas. Yields were below average in both countries because of unfavorable weather. Unofficial estimates indicate that production in Mainland China was at least 15 percent below the 1950-54 average.

Turkey is the only rye producer of any importance in Asia and the outturn was about the same as in 1960.

Wheat production in Africa is the smallest of many years. Acreage is somewhat less than last year and yields are much below average. The estimated crop of 150 million bushels is about 30 percent below the large 1960 total and about 20 percent below average. Largest reductions are in former French North Africa. Algeria's harvest of 24 million was less than half the large 1960 crop and a similar reduction occurred in Tunisia. Morocco's production is reported at 23 million bushels compared with 39 million last year. Rye is comparatively unimportant in Africa.

Harvesting is now under way in Southern Hemisphere countries. Wheat production in South America is forecast at 275 million bushels compared with 235 million in 1960 and the 1950-54 average of 305 million. The increase of 40 million bushels over last year is in Argentina where a crop of 190

million bushels accounts for the continent's increase. This is still below average, however, because of reduced acreage.

Rye production in South America is forecast at 26 million bushels, compared with 21 million a year ago and the 1950-54 average of 27 million bushels. About 95 percent of the continent's rye is produced in Argentina.

Wheat production in Australia is expected to be about 210 million bushels, well below earlier-season expectations that it would approach the record harvest of 274 million bushels last year. Drought reduced prospects materially in a number of States. Late-season rains caused damage in some areas and a part of the crop will be of low quality. Rye is of minor importance in Australia.

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GRAIN
FG 2-62
February 1962

WORLD BARLEY AND OATS

PRODUCTION BELOW 1960

World production of barley and oats in 1961 is still estimated at 137 million short tons, according to the latest information available to the Foreign Agricultural Service. (See preliminary forecast in Foreign Crops and Markets, World Summaries issue, October 26, 1961.

The combined production is 8 percent less than the large 1960 harvest but 4 percent above the 1950-54 average.

The reduction from 1960 is in both barley and oats but the oats decline is greater. World barley production of 3,345 million is 210 million bushels less than in 1960 while oats, at 3,545 million bushels, is down 410 million. Most of the reduction in these grains is due to smaller acreage, though lower yields also contributed to the decrease.

Most of the barley decline is in North America and Africa. Reductions in oats are reported from all areas except Africa but the largest are in North America and the Soviet Union. World oats acreage was 10 percent less than in 1960 and 15 percent below the 1950-54 average.

North America's total barley and oats production is well below average, mainly because of substantially reduced U.S. oats acreage and low yields in Canada. Even at the low level of the 1961 harvest, however, North America accounts for 25 percent of world production of these grains. Barley production was 525 million bushels, 19 percent less than a year earlier.

Canada's crop of 123 million bushels is the smallest since 1949. Acreage was 1.8 million acres below the 1950-54 average and yields were much below average. U.S. production of 393 million bushels was considerably above average because of above-average acreage and yields.

BARLEY: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	7,916	8,289	7,360	6,090	28.9	27.2	28.1	20.2	228,400	225,550	207,036	123,167
Mexico	573	605	605	—	13.2	13.7	14.0	—	7,554	8,270	8,500	8,500
United States	10,173	14,918	13,939	12,969	27.8	28.3	30.9	30.3	283,026	422,383	431,309	393,384
Estimated total 5/	18,660	23,810	21,900	19,660	27.8	27.6	29.5	26.7	519,000	656,000	647,000	525,000
Europe:												
Austria	363	441	517	464	36.6	42.2	52.3	50.4	13,288	18,620	27,050	23,400
Belgium	213	272	259	297	58.0	67.3	67.8	63.0	12,344	18,300	17,570	18,700
Denmark	1,390	1,858	1,868	1,974	64.4	57.8	68.8	63.1	89,450	107,380	128,600	124,500
Finland	358	576	525	497	30.5	26.4	38.5	36.0	10,904	15,230	20,200	17,900
France	2,713	4,914	5,161	5,594	32.9	46.1	50.9	44.2	89,372	226,480	262,500	247,000
Germany, West	1,733	2,350	2,421	2,768	47.5	55.6	61.1	45.2	82,320	130,600	147,900	125,000
Greece	522	456	448	449	20.0	21.9	24.1	24.5	10,424	10,000	10,800	11,000
Ireland	174	333	328	367	51.2	63.5	61.9	75.5	8,910	21,140	20,300	27,700
Italy	619	546	535	537	21.1	23.4	19.9	22.9	13,057	12,800	10,650	12,300
Netherlands	183	179	170	253	60.4	68.9	78.6	69.4	11,048	12,330	13,370	17,550
Norway	164	348	358	379	44.8	40.2	51.3	50.7	7,350	13,980	18,350	19,200
Portugal	380	339	296	344	14.8	9.0	7.5	7.0	5,620	3,040	2,230	2,400
Spain	3,903	3,706	3,422	3,410	22.8	25.4	20.9	20.5	88,830	94,160	71,650	69,800
Sweden	352	783	798	885	42.2	39.1	48.7	52.0	14,850	30,640	38,900	46,000
Switzerland	53	62	63	72	48.7	56.1	55.2	53.5	2,581	3,480	3,480	3,850
United Kingdom	2,051	3,059	3,372	3,831	48.9	61.3	58.7	59.0	100,326	187,410	198,000	226,200
Estimated total Western Europe 5/	15,190	20,250	20,570	22,150	36.9	44.7	48.1	44.9	561,000	905,000	990,000	995,000
Bulgaria	630	661	726	--	26.8	33.1	31.4	—	16,900	21,900	22,800	--
Czechoslovakia	1,556	1,655	1,750	--	33.5	40.7	45.7	—	52,100	67,400	80,000	--
Germany, East	702	875	960	--	38.2	51.8	57.3	--	26,800	45,300	55,000	--
Hungary	1,080	1,336	1,256	1,289	27.3	37.6	36.1	35.1	29,500	50,200	45,300	45,200
Poland	2,072	1,592	1,780	--	24.3	30.1	32.3	—	50,400	47,900	57,500	—
Rumania	1,235	715	657	--	15.8	28.8	28.3	--	19,500	20,600	18,600	—
Yugoslavia	—	934	897	939	--	28.3	27.1	26.9	16,600	26,400	24,300	25,300
Estimated total Eastern Europe 5/	8,300	7,780	8,040	8,050	25.8	36.0	37.9	37.3	214,000	280,000	305,000	300,000
Estimated total all Europe 5/	23,490	28,030	28,610	30,200	33.0	42.3	45.3	42.9	775,000	1,185,000	1,295,000	1,295,000
U.S.S.R. (Europe and Asia) 6/	22,500	23,700	30,000	28,500	15.6	16.0	17.5	17.5	350,000	380,000	525,000	500,000

Asia:												
Cyprus	135	148	--	--	18.9	20.3	--	--	2,547	3,000	1,900	--
Iran	1,956	--	2,224	--	18.8	--	18.7	--	36,798	45,930	41,500	46,000
Iraq	2,374	2,690	2,564	2,531	14.9	12.4	14.4	16.3	35,270	33,300	36,900	41,300
Israel	175	126	125	74	16.5	23.7	12.8	27.0	2,880	2,985	1,600	2,000
Lebanon	40	30	35	35	19.0	6.2	5.3	10.6	760	185	185	370
Syria	848	--	--	1,038	14.5	--	--	--	12,292	4,600	5,000	--
Turkey	5,540	6,500	6,400	--	23.2	21.5	22.2	--	128,380	140,000	142,000	142,000
China	--	--	--	--	--	--	--	--	325,000	--	--	--
India	8,020	8,243	8,345	7,916	14.7	15.1	15.0	16.1	118,280	124,700	124,800	127,600
Pakistan	557	537	636	536	11.3	12.1	11.0	11.8	6,300	6,500	7,000	6,300
Japan	2,400	2,206	2,071	1,711	37.7	43.6	46.2	48.5	90,439	96,200	95,625	82,970
Korea, South	1,644	1,927	1,958	--	18.5	22.7	22.6	--	30,440	43,800	44,200	37,000
Estimated total 5/	41,110	43,300	44,080	44,010	19.7	19.1	18.6	18.6	810,000	825,000	820,000	820,000
Africa:												
Algeria	3,102	2,693	2,895	--	12.1	11.0	13.5	--	37,494	29,500	39,000	--
Egypt	128	147	154	169	38.9	44.2	46.4	46.4	4,976	6,500	7,140	7,850
Morocco	5,270	4,255	4,333	3,825	14.6	11.8	12.0	6.6	77,000	50,355	52,200	25,200
Tunisia	1,295	1,875	1,700	1,000	6.9	5.8	3.9	4.0	8,920	10,800	6,700	4,000
Republic of South Africa	135	--	--	--	17.4	--	--	--	2,350	1,000	900	--
Estimated total 5/	11,520	11,080	11,240	9,340	13.0	10.8	11.6	8.0	150,000	120,000	130,000	75,000
South America:												
Argentina	1,587	2,241	1,778	--	24.8	22.9	20.0	--	39,320	51,300	35,500	45,000
Chile	136	171	166	168	31.7	34.3	28.5	32.7	4,316	5,860	4,730	5,500
Colombia	122	138	143	156	22.5	33.6	34.1	38.5	2,740	4,640	4,870	6,000
Ecuador	248	315	292	205	12.2	13.4	14.6	15.6	3,030	4,220	4,270	3,200
Peru	465	445	457	--	21.5	20.8	21.6	--	9,980	9,260	9,850	--
Uruguay	81	109	165	--	16.6	12.4	13.6	--	1,344	1,350	2,250	--
Estimated total 5/	2,830	3,680	3,260	3,290	23.0	21.7	19.9	22.8	65,000	80,000	65,000	75,000
Oceania:												
Australia	1,412	2,400	2,830	2,660	22.2	14.8	25.0	18.8	31,350	35,500	70,800	50,000
New Zealand	53	62	62	58	45.1	53.2	54.8	--	2,388	3,300	3,400	--
Total Oceania	1,465	2,462	2,892	2,718	23.0	15.8	25.7	19.5	33,738	38,800	74,200	53,000
Estimated world total 5/	121,580	136,060	141,980	137,720	22.2	24.1	25.0	24.3	2,700,000	3,285,000	3,555,000	3,345,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1961 is combined with preliminary forecasts for the Southern Hemisphere harvests which begin late in 1961 and end early in 1962. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Revised estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production, are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Tentative unofficial estimates for production.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service officers, results of office research, and related information.

OATS: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada 5/	10,813	11,391	11,147	11,583	38.6	36.7	40.9	28.8	417,429	417,933	456,134	333,907
Mexico	206	235	272	--	18.2	17.9	22.1	--	3,759	4,200	6,000	6,000
United States	37,928	27,793	26,646	24,077	33.9	37.8	43.4	42.1	1,285,417	1,052,059	1,155,312	1,012,855
Estimated total 6/	48,950	39,420	38,070	35,930	34.9	37.4	42.5	37.7	1,707,000	1,474,000	1,617,000	1,353,000
Europe:												
Austria	539	403	397	384	44.8	53.2	59.4	59.1	24,156	21,460	23,600	22,700
Belgium	405	351	347	335	80.2	82.9	89.3	89.3	32,462	29,100	31,000	29,900
Denmark	647	504	489	484	90.8	77.6	95.9	86.8	58,740	39,130	46,900	42,025
Finland	1,143	1,139	1,212	1,169	47.1	42.1	63.0	57.5	53,801	47,970	76,400	67,200
France	5,596	3,715	3,526	3,512	43.3	52.2	53.4	49.0	242,298	194,000	188,400	172,000
Germany, West	2,681	2,005	1,847	1,787	67.3	70.1	81.2	73.8	180,322	140,470	150,000	131,800
Greece	365	319	315	319	26.2	30.1	32.4	32.9	9,558	9,600	10,200	10,500
Ireland	613	462	425	370	63.2	72.0	68.9	71.1	38,744	33,250	29,300	26,300
Italy	1,140	1,017	1,010	1,055	32.9	36.6	29.4	36.3	37,516	37,250	29,700	38,300
Luxembourg	52	--	40	--	50.0	--	75.0	--	2,602	--	3,000	--
Netherlands	368	309	282	305	87.5	71.2	94.4	95.0	32,210	22,000	26,630	28,970
Norway	187	160	161	158	62.7	50.6	73.9	75.9	11,726	8,100	11,900	12,000
Portugal	774	751	747	693	12.2	8.1	5.7	6.1	9,424	6,120	4,230	4,260
Spain	1,520	1,396	1,379	1,359	23.2	27.6	21.5	23.9	35,306	38,580	29,700	32,500
Sweden	1,215	1,325	1,378	1,404	47.8	41.2	58.8	67.3	58,124	54,600	81,000	94,500
Switzerland	64	39	35	37	77.3	85.1	86.3	82.4	4,946	3,320	3,020	3,050
United Kingdom	2,854	2,032	1,974	1,737	65.4	75.3	73.0	77.7	186,774	153,090	144,060	135,000
Estimated total Western Europe 6/	20,160	15,970	15,560	15,160	50.6	52.6	57.2	56.4	1,020,000	840,000	890,000	855,000
Bulgaria	397	446	447	--	27.7	32.1	30.6	--	11,000	14,300	13,700	--
Czechoslovakia	1,380	1,250	1,245	--	44.2	52.0	56.2	--	61,000	65,000	70,000	--
Germany, East	1,352	1,013	890	--	56.7	62.4	73.0	--	76,600	63,200	65,000	--
Hungary	355	420	350	273	31.0	41.9	40.0	36.6	11,000	17,600	14,000	10,000
Poland	4,130	4,200	4,055	--	35.8	41.0	46.9	--	148,000	172,200	190,000	--
Rumania	1,175	741	670	--	22.9	29.3	29.2	--	26,900	21,700	19,600	--
Yugoslavia	--	835	825	815	--	33.3	31.2	33.7	19,420	27,800	25,700	27,500
Estimated total Eastern Europe 6/	9,730	8,950	8,530	8,340	36.5	43.0	46.9	46.8	355,000	385,000	400,000	390,000
Estimated total all Europe 6/	29,890	24,920	24,090	23,500	46.0	49.2	53.5	53.0	1,375,000	1,225,000	1,290,000	1,245,000

U.S.S.R. (Europe and Asia) 7/	40,000	35,400	31,500	31,000	20.9	21.2	23.8	22.3	835,000	750,000	750,000	690,000
Asia:												
Syria	22	15	10	--	24.3	20.0	20.0	--	535	300	200	--
Turkey	808	900	976	949	30.9	30.6	35.3	29.1	24,958	27,500	34,500	27,600
China	--	--	--	--	--	--	--	--	70,000	--	--	--
Japan	208	193	195	202	47.6	61.9	56.8	59.2	9,910	11,950	11,080	11,950
Estimated total 6/	4,400	4,680	4,850	4,930	25.0	22.4	22.7	20.3	110,000	105,000	110,000	100,000
Africa:												
Algeria	428	144	165	--	20.9	14.6	20.6	--	8,940	2,100	3,400	1,500
Morocco	145	55	50	65	28.3	15.5	21.0	15.4	4,103	850	1,050	1,000
Tunisia	59	--	--	--	18.2	--	--	--	1,074	--	--	--
Republic of South Africa	365	--	--	--	15.9	--	--	--	5,800	9,000	--	--
Estimated total 6/	1,040	830	820	820	20.2	18.1	18.3	18.3	21,000	15,000	15,000	15,000
South America:												
Argentina	1,655	1,971	1,896	--	34.0	34.3	30.6	--	56,284	67,700	58,100	50,000
Chile	238	273	302	297	28.6	28.7	28.1	27.9	6,800	7,840	8,500	8,300
Uruguay	145	97	198	--	19.4	15.5	22.2	--	2,816	1,500	4,400	--
Estimated total 6/	2,090	2,430	2,480	2,270	32.1	32.9	30.2	28.6	67,000	80,000	75,000	65,000
Oceania:												
Australia	2,325	3,000	3,637	3,600	18.2	19.5	26.2	20.8	42,252	58,500	95,250	75,000
New Zealand	37	34	39	33	62.4	67.1	65.0	--	2,308	2,280	2,535	--
Total Oceania	2,362	3,034	3,676	3,633	18.9	20.0	26.6	21.3	44,560	60,780	97,785	77,225
Estimated world total 6/	128,730	110,710	105,490	102,080	32.3	33.5	37.5	34.7	4,160,000	3,710,000	3,955,000	3,545,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1961 is combined with preliminary forecasts for the Southern Hemisphere harvests which begin late in 1961 and end early in 1962. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre is calculated from acreage and production data shown. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Production and yield reported in bushels of 34 pounds. 6/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 7/ Tentative unofficial estimates for production.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service officers, results of office research, and related information.

Oats production of 1,353 million bushels in North America contrasts with 1,617 million in 1960 and the 1950-54 average of 1,707 million. Harvests were smaller in both the United States and Canada. Canadian acreage was larger than in 1960 and also above average. In the United States, however, acreage was 2.6 million acres less than in 1960 and 13.8 million below the 1950-54 average.

Production of these grains in Western Europe was slightly below the 1960 total. A small increase in barley is more than offset by reduced oats production. The principal reductions in oats were in West Germany, France, Finland, and the United Kingdom.

Minor reductions in Eastern Europe make little change from last year's total. A slight increase in barley offsets a smaller harvest of oats.

Acreage of these grains was reported smaller than in 1960 in the Soviet Union. Barley acreage, though 1.5 million acres less than last year was much above average. However, a sharp downward trend in oats acreage has brought acreage 9 million acres below the 1950-54 level. Lower yields also contributed to the smaller harvest.

Production of barley in Asia is estimated to be the same as in 1960 but a slight reduction in oats, mainly in Turkey, brings the outturn of that crop below average.

Africa's barley harvest was only half an average crop because of disastrous drought in former French North Africa where the bulk of the continent's barley is grown. Oats production in Africa is small and the 1961 crop was well below average.

The harvest of these grains was recently completed in South America. Barley production is estimated to be larger than last year but oats production was smaller, mainly because of reduced acreage.

Australia's outturn was considerably smaller than the bumper crop in 1960. Yields were much below the high level of a year ago as a result of severe drought.

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GRAIN
FG 3-62
March 1962

WORLD CORN PRODUCTION

NEAR RECORD

A near-record world corn crop is estimated by the Foreign Agricultural Service for 1961-62. The current estimate of 7,265 million bushels has been exceeded only once, in 1960 when the record harvest was 4 percent above this year's outturn.

The reduction from the 1960 total was mainly in the United States and Eastern Europe. Smaller reductions in other areas were more than offset by a sharp increase in the Soviet Union.

The United States and the Soviet Union are the world's ranking producers, and accounted for 57 percent of total production in 1961. The U. S. crop was half the world total and the Soviet Union produced 7 percent. While the United States is traditionally the leading producer, it is only in recent years that the Soviet Union has increased corn production to the point that it holds second place.

Exports from the United States for the marketing year ended September 1961 were about 290 million bushels. Supplies for 1961-62 were nearly as large as the record supplies for 1960-61, with increased carryover offsetting much of the reduction in production. The large U. S. surplus available for export will compete with about the same supply as last year in Argentina but considerably smaller supplies in the Danube Basin countries, especially Yugoslavia.

North America's 1961 production of dried corn is now estimated at 3,944 million bushels, 6 percent below the record crop in 1960. The reduction is entirely in United States outturn; both Mexico and Canada set new records.

Sharply reduced acreage in the United States brought the area to 58.7 million acres, the smallest corn acreage harvested in some 80 years. The low total was 13 million acres below the 1960 acreage. Unprecedented yields of 61.8 bushels per acre exceeded the previous high in 1960 by 7.3 bushels per acre.

CORN: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	370	489	514	510	53.6	63.4	57.1	72.5	19,835	31,023	29,337	36,988
El Salvador	434	439	412	--	16.7	13.4	17.2	--	7,260	5,900	7,100	--
Guatemala	1,357	--	--	--	12.5	--	--	--	17,000	19,500	22,000	--
Honduras	719	--	--	--	11.6	--	--	--	8,325	10,500	11,500	--
Mexico	11,417	15,629	14,579	15,792	12.4	14.0	13.7	13.9	141,390	219,280	200,000	220,000
Nicaragua	308	319	324	--	15.2	11.9	14.2	--	4,675	3,800	4,600	--
United States 5/	70,870	72,091	71,649	58,691	39.4	53.1	54.5	61.8	2,792,703	3,824,598	3,908,070	3,624,313
Cuba	415	457	--	--	16.0	16.8	--	--	6,640	7,700	--	--
Estimated total 6/	86,810	92,930	91,480	79,650	34.7	44.5	45.9	49.5	3,011,000	4,136,000	4,203,000	3,944,000
Europe:												
Austria	156	114	144	127	34.8	50.3	58.2	61.4	5,426	5,730	8,385	7,800
France	894	1,740	2,036	2,385	29.5	41.3	54.4	41.0	26,394	71,800	110,700	97,800
Greece	630	513	520	491	15.5	22.3	21.8	24.0	9,754	11,440	11,330	11,780
Italy	3,316	3,150	3,150	3,300	33.8	48.6	47.7	47.0	112,232	153,000	150,200	155,000
Portugal	1,183	1,165	1,157	1,154	14.4	16.2	15.9	16.0	16,986	18,900	18,400	18,500
Spain	991	964	1,025	1,038	27.2	40.9	40.4	41.7	26,980	39,400	41,400	43,300
Estimated total Western Europe 6/	7,220	7,660	8,050	8,520	27.8	39.3	42.4	39.4	201,000	301,000	341,000	336,000
Albania	300	--	--	--	16.0	--	--	--	4,800	--	--	--
Bulgaria	1,780	1,818	1,853	1,945	15.4	26.1	25.0	21.3	27,500	47,500	46,400	41,500
Czechoslovakia	350	462	462	482	34.9	45.5	48.7	--	12,200	21,000	22,500	--
Hungary	2,830	3,356	3,462	3,414	30.5	41.7	39.9	32.2	86,200	140,000	138,000	110,000
Rumania	7,350	8,785	8,825	8,471	17.0	25.5	24.7	23.6	125,000	224,000	218,000	200,000
Yugoslavia	5,950	6,375	6,350	6,326	21.8	41.3	38.2	24.9	130,000	263,000	242,500	157,500
Estimated total Eastern Europe 6/	18,600	21,180	21,370	21,090	20.8	33.2	31.6	25.6	387,000	704,000	676,000	539,000
Estimated total all Europe 6/	25,820	28,840	29,420	29,610	22.8	34.8	34.6	29.6	588,000	1,005,000	1,017,000	875,000
U.S.S.R. (Europe and Asia) 7/	10,400	8,750	12,500	17,000	18.3	20.0	24.0	29.4	190,000	175,000	300,000	500,000
Asia:												
Turkey	1,581	1,730	1,717	1,630	19.9	18.2	17.2	17.2	31,402	31,500	29,500	28,000
China	--	--	--	--	--	--	--	--	410,000	--	--	--
India	8,745	10,706	10,758	10,724	11.4	15.0	14.6	14.0	99,892	160,200	156,600	149,600
Pakistan	1,013	1,117	1,207	1,144	15.8	15.6	14.6	--	16,016	17,400	17,600	--
Indonesia	5,210	5,658	6,500	6,670	13.8	14.6	15.1	14.3	72,000	82,400	98,000	95,700
Japan 7/	107	118	108	99	23.3	34.7	41.7	35.4	2,488	4,100	4,500	3,500
Philippines	2,764	4,560	5,054	5,060	10.3	10.1	9.4	9.6	28,384	46,000	47,600	48,400
Thailand	109	491	708	920	13.1	25.3	30.1	30.0	1,428	12,440	21,300	27,600
Estimated total 6/	42,600	50,760	52,960	53,670	16.7	17.2	16.4	15.7	710,000	875,000	870,000	840,000

Africa:												
Republic of the Congo 8/	1,092	1,185	--	--	13.5	19.4	--	--	14,768	23,000	--	--
Kenya 9/	425	--	--	--	28.2	--	--	--	12,000	13,000	--	--
Egypt	1,819	1,929	1,890	1,930	33.9	30.6	35.2	27.4	61,670	59,000	66,600	52,800
Morocco	1,248	1,000	1,005	1,000	7.8	13.5	15.7	7.1	9,724	13,500	15,750	7,100
Former West Africa	1,733	--	--	--	9.8	--	--	--	16,975	--	--	--
Malagasy Republic	200	--	--	--	14.0	--	--	--	2,800	--	--	--
Angola	1,300	--	--	--	8.2	--	--	--	10,670	13,800	--	--
Federation of Rhodesia and Nyasaland	--	--	--	--	--	--	--	--	--	44,000	53,000	--
Republic of South Africa	7,865	--	--	--	14.7	--	--	--	115,450	150,000	187,000	--
Estimated total 6/	25,670	29,210	29,640	28,870	15.2	16.3	17.9	16.5	390,000	475,000	530,000	475,000
South America:												
Argentina	4,833	6,000	6,848	--	24.8	29.2	29.2	--	120,098	175,000	200,000	--
Brazil	12,700	16,260	16,800	--	19.4	20.6	20.8	--	247,000	335,000	350,000	--
Chile	135	184	183	185	26.2	30.9	30.9	31.9	3,542	5,690	5,660	5,900
Colombia	1,800	1,606	1,803	--	17.1	17.2	18.9	--	30,800	27,600	34,000	--
Ecuador	344	500	517	--	10.0	12.4	12.2	--	3,440	6,200	6,300	--
Peru	636	626	642	--	19.2	21.2	21.3	--	12,186	13,300	13,700	--
Uruguay	643	660	585	--	10.7	5.0	13.3	--	6,902	3,300	7,800	--
Venezuela	700	693	984	--	18.4	19.0	17.6	--	12,850	13,200	17,300	--
Estimated total 6/	22,380	27,100	28,970	28,610	20.1	21.8	22.3	21.8	450,000	590,000	645,000	625,000
Oceania:												
Australia	173	186	186	--	27.2	36.0	33.9	--	4,710	6,700	6,300	--
New Zealand	5	7	5	--	62.0	57.1	50.0	--	310	400	250	--
Estimated total 6/	180	200	190	220	27.8	35.0	36.8	31.8	5,000	7,000	7,000	7,000
Estimated world total 6/	213,860	237,790	245,160	237,630	25.0	30.6	30.9	30.6	5,345,000	7,265,000	7,570,000	7,265,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which follow; thus the crop harvested in the Northern Hemisphere in 1961 is combined with preliminary forecasts for the Southern Hemisphere harvest which begins early in 1962. 2/ Figures refer to harvested area as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Revised estimates for Northern Hemisphere countries; for the Southern Hemisphere, revised preliminary forecasts. 5/ New series covering corn for grain only. Series previously carried was all corn, i.e. including silage, forage, etc. All corn for 1950-54 was 3,112 million bushels; 1959, 4,197 million; 1960, 4,304 million. 6/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 7/ Dried corn only. Previous published series included some immature corn. 8/ Includes Ruanda-Urundi. 9/ Production on European holdings only. Allowances for native cultivation, not shown, are included in estimated total for Africa.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research and related information.

U. S. corn production is now reported on a harvested as grain basis instead of corn for all purposes, which was the reporting practice prior to 1961. In recent years acreage of corn utilized for silage, hogging down, grazing, and forage has average 10 million acres and the grain equivalent has averaged 375 million bushels.

Western Europe's production is estimated 336 million bushels, only slightly below the 1960 outturn of 341 millions. Acreage was higher than in 1960, especially in France and Italy, but yields were lower.

Production in Eastern Europe was considerably less than the large harvests of the two preceding years. The current estimate of 539 million bushels is 137 million less than in 1960. Acreage was down slightly but most of the decrease in production was due to lower yields. The greatest single decrease was in Yugoslavia where the harvest was 85 million bushels smaller.

Corn harvested as grain in the Soviet Union is now indicated to be about 500 million bushels. This is considerably above the 1960 crop of 300 million bushels and the 1950-54 average of 190 million. Acreage rose from 10.4 million acres during 1950-54 to 12.5 million in 1960 and 17 million in 1961. Yields of 29.4 bushels per acre are the largest of record.

Asia's total of 840 million bushels is moderately below the 1960 production of 870 million despite increased acreage. Yields of 15.7 bushels per acre are below average as well as below the 1960 yields.

Production in Africa is well below the previous year but is still considerably above average. The estimated total of 475 million bushels contrasts with 530 million in 1960. Reductions were general throughout the principal producing countries.

The outlook for the harvest in South America is less favorable than at this time last year, but the outturn is expected to be only moderately smaller. It is too early for reliable estimates since harvesting has not begun in most countries. Some increase is expected in Argentina but a smaller crop is expected in Brazil. Those two countries account for about 85 percent of South America's total.

In Australia corn is of minor importance, averaging about 6 million bushels in recent years.

Growth Through Agricultural Progress

FOREIGN AGRICULTURE CIRCULAR

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Foreign Agricultural Service Washington D.C.

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1961 WORLD BREADGRAIN CROP BELOW AVERAGE OF PAST FIVE YEARS

The third estimate of the 1961 world breadgrain harvest is 273 million short tons, according to the latest information available to the Foreign Agricultural Service.

The current estimate is somewhat smaller than the outturns of the previous three years and is 3 percent below the average of the past five years. The reduction was mainly in wheat and the largest decrease was in North America.

World wheat production is now estimated at 7,830 million bushels, 330 million bushels less than in 1960 and 865 million below the record harvest in 1958. The world rye crop of 1,350 million bushels was slightly larger than in 1960 but 7 percent below the 1950-54 average.

North America's 1961 wheat production is now estimated at 1,547 million bushels, compared with 1,897 million a year earlier. Production was down substantially in both the United States and Canada. The U. S. crop was still well above average but Canada's poor outturn was less than half the 1950-54 average. The Canadian crop was the smallest since 1937. Acreage was moderately above the 1960 area but 9 percent below the 1950-54 average. Yields of 11 bushels per acre were 10 bushels per acre less than in 1960.

The U. S. wheat outturn of 1,235 million bushels compares with the near-record harvest of 1,357 million in 1960. Acreage was slightly smaller and yields were down 9 percent. Mexico's production of 50 million bushels was an all-time high.

Rye production in North America was below average and also considerably below the 1960 harvest. Smaller acreage and much below average yields in Canada were the principal factors.

WHEAT: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/ Average 1950-54	Acreage 2/ 1959	Acreage 2/ 1960	Acreage 2/ 1961 4/	Yield per acre 3/ Average 1950-54	Yield per acre 3/ 1959	Yield per acre 3/ 1960	Yield per acre 3/ 1961 4/	Production Average 1950-54	Production 1959	Production 1960	Production 1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	26,130	23,065	23,198	23,792	20.6	17.9	21.1	11.0	537,632	413,520	489,624	261,679
Mexico	1,647	2,338	1,853	2,100	13.2	19.9	26.8	24.0	21,788	46,500	49,600	50,400
United States	63,361	51,781	51,896	51,620	17.3	21.7	26.2	23.9	1,094,183	1,121,118	1,357,272	1,234,705
Estimated total 5/	91,200	77,270	77,030	77,600	18.1	20.5	24.6	19.9	1,654,000	1,582,000	1,897,000	1,547,000
Europe:												
Austria	573	661	685	682	29.5	32.7	37.7	38.3	16,920	21,620	25,800	26,150
Belgium	421	497	498	505	48.2	58.4	57.0	52.5	20,278	29,000	28,400	26,500
Denmark	195	218	203	259	54.5	61.4	57.9	61.8	10,630	13,375	11,760	16,000
Finland	377	344	447	586	23.2	25.9	30.2	28.8	8,739	8,900	13,500	16,900
France	10,916	10,970	10,769	9,785	28.9	38.7	37.6	35.4	315,244	425,000	405,000	346,500
Germany, West	2,728	3,295	3,429	3,435	40.4	50.2	53.0	43.1	110,228	165,540	181,750	148,000
Greece	2,410	2,875	2,820	2,635	16.6	22.6	22.1	22.2	40,042	65,000	62,200	58,500
Ireland	362	282	362	350	36.0	48.2	47.5	46.9	13,036	13,600	17,200	16,400
Italy	12,085	11,600	11,300	10,600	23.8	26.8	22.1	28.8	288,080	311,200	250,000	305,000
Luxembourg	45	--	--	--	30.7	--	--	--	1,382	--	--	--
Netherlands	209	297	313	304	54.4	63.6	69.2	58.2	11,376	18,900	21,670	17,700
Norway	56	23	22	26	30.0	31.7	38.2	38.5	1,682	730	840	1,000
Portugal	1,785	2,094	1,825	1,606	13.2	11.1	10.3	9.8	23,526	23,300	18,800	15,700
Spain	10,470	10,774	10,230	9,390	14.8	16.2	12.7	12.8	155,000	175,000	130,000	120,000
Sweden	896	778	836	679	33.1	39.5	36.2	44.5	29,640	30,725	30,260	30,200
Switzerland	225	256	258	272	41.9	47.5	49.4	41.9	9,430	12,150	12,750	11,400
United Kingdom	2,263	1,929	2,101	1,827	41.8	53.9	53.3	51.1	94,640	104,000	112,000	93,400
Estimated total Western Europe 5/	46,020	46,940	46,160	43,000	25.0	30.3	28.7	29.1	1,150,000	1,420,000	1,325,000	1,250,000
Bulgaria	3,540	3,439	3,113	3,212	18.6	22.1	23.6	19.5	66,000	76,000	73,500	62,500
Czechoslovakia	1,840	1,875	1,610	1,590	28.5	29.9	34.3	37.7	52,500	56,000	55,200	60,000
Germany, East	1,120	1,075	1,033	--	34.0	44.5	48.4	--	38,100	47,800	50,000	45,000
Hungary	3,400	2,759	2,600	2,505	21.3	25.4	25.0	28.4	72,500	70,150	65,000	71,100
Poland	3,730	3,546	3,363	3,470	19.0	25.9	25.2	28.8	70,800	92,000	84,600	100,000
Rumania	6,710	7,383	7,010	7,377	16.2	19.9	18.1	18.3	108,750	147,000	126,750	135,000
Yugoslavia	--	5,263	5,090	4,843	--	28.8	25.8	24.1	80,000	151,750	131,170	116,500
Estimated total Eastern Europe 5/	25,500	25,600	24,060	24,280	19.2	25.2	24.5	24.5	490,000	645,000	590,000	595,000
Estimated total all Europe 5/	71,520	72,540	70,220	67,280	22.9	28.5	27.3	27.4	1,640,000	2,065,000	1,915,000	1,845,000
U.S.S.R. (Europe and Asia) 6/	111,500	157,000	148,500	155,000	11.1	12.1	11.4	12.3	1,240,000	1,900,000	1,700,000	1,900,000

Asia:												
Iran	--	--	--	--	--	--	--	--	76,400	110,000	96,000	103,000
Iraq	1,871	--	--	--	11.9	7.0	--	--	22,210	21,000	22,000	30,000
Israel	90	137	135	106	11.1	19.7	11.1	18.9	1,000	2,700	1,500	2,000
Jordan	651	525	--	--	8.6	7.2	--	--	5,600	3,800	1,600	5,100
Lebanon	165	153	128	143	11.5	6.0	5.7	9.0	1,902	920	735	1,290
Syria	2,277	2,100	1,900	--	11.6	7.0	6.3	--	26,510	14,700	12,000	16,400
Turkey	13,514	15,500	15,600	15,500	15.8	14.5	16.7	14.5	213,590	225,000	260,000	225,000
China	--	--	--	--	--	--	--	--	890,000	--	--	--
India	24,456	31,141	32,542	31,750	10.4	11.7	11.6	12.5	253,950	365,000	376,700	398,000
Pakistan	10,380	12,000	12,192	11,603	12.4	12.0	11.9	11.9	129,124	144,000	144,700	138,100
Japan	1,766	1,486	1,489	1,603	30.2	35.0	37.8	40.8	53,322	52,000	56,250	65,400
Korea, South	245	310	306	--	14.2	17.1	16.7	--	3,477	5,300	5,120	6,300
Estimated total 5/	127,820	138,260	144,410	137,660	13.8	13.8	13.3	13.5	1,765,000	1,915,000	1,920,000	1,860,000
Africa:												
Algeria	4,267	4,302	4,725	4,622	9.7	9.4	11.6	5.2	41,508	40,600	55,000	24,000
Egypt	1,631	1,531	1,512	1,436	30.1	34.6	36.4	36.8	49,060	53,000	55,000	52,800
Morocco	3,674	3,870	4,099	3,845	10.2	9.1	9.6	6.1	37,534	35,100	39,200	23,300
Tunisia	2,399	3,274	3,346	--	8.3	5.9	5.0	--	19,796	19,300	16,600	--
South Africa, Republic of 7/	3,020	3,156	2,796	--	7.6	8.6	10.1	--	23,040	27,200	28,300	30,000
Estimated total 5/	16,480	17,960	18,220	16,950	11.2	10.9	11.5	9.1	185,000	195,000	210,000	155,000
South America:												
Argentina	11,871	10,818	8,893	--	18.2	19.9	16.9	--	216,204	215,000	150,000	190,000
Brazil	1,475	2,100	2,000	--	12.5	6.5	6.5	--	18,500	13,600	13,000	--
Chile	1,910	2,185	2,068	2,051	18.7	18.6	20.0	20.6	35,764	40,600	41,300	42,200
Colombia	430	395	410	395	11.3	13.0	12.9	13.2	4,860	5,140	5,300	5,200
Peru	410	393	380	--	14.2	15.1	14.8	--	5,814	5,940	5,640	5,900
Uruguay	1,515	725	1,290	1,080	14.8	9.2	11.8	12.8	22,376	6,700	15,160	13,800
Estimated total 5/	17,840	16,860	15,300	16,500	17.1	17.2	15.4	16.4	305,000	290,000	235,000	270,000
Oceania:												
Australia	10,716	12,173	13,439	14,308	16.9	16.3	20.4	17.1	181,150	198,500	273,720	244,000
New Zealand	116	163	165	165	40.7	53.4	50.0	45.0	4,720	8,700	8,250	7,425
Total Oceania	10,832	12,336	13,604	14,473	17.2	16.8	20.7	17.4	185,870	207,200	281,970	251,425
Estimated world total 5/	447,190	492,230	487,280	485,460	15.6	16.6	16.7	16.1	6,975,000	8,155,000	8,160,000	7,830,000

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RYE: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/ Average 1950-54	Acreage 1959	Acreage 1960	Acreage 1961 4/	Yield per acre 3/ Average 1950-54	Yield 1959	Yield 1960	Yield 1961 4/	Production Average 1950-54	Production 1959	Production 1960	Production 1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	1,159	517	543	520	16.6	15.8	18.6	12.0	19,260	8,149	10,125	6,229
United States	1,619	1,457	1,684	1,542	12.8	15.8	19.6	17.7	20,785	23,076	33,052	27,262
Total	2,778	1,974	2,227	2,062	14.4	15.8	19.4	16.2	40,045	31,225	43,177	33,491
Europe:												
Austria	601	538	421	523	27.5	30.5	33.0	35.5	16,508	16,410	13,900	18,590
Belgium	205	162	152	105	43.1	42.8	48.4	44.8	8,832	6,930	7,360	4,700
Denmark	323	299	388	452	38.2	38.1	46.1	44.2	12,332	11,380	17,870	20,000
Finland	276	255	274	232	24.3	25.1	26.8	21.6	6,694	6,400	7,330	5,000
France	1,104	811	738	652	18.4	22.8	22.3	20.9	20,327	18,490	16,430	13,600
Germany, West	3,427	3,521	3,253	2,922	38.3	43.4	45.9	33.8	131,400	152,900	149,400	98,900
Greece	155	81	71	61	13.7	13.1	15.1	15.7	2,120	1,060	1,070	960
Italy	238	167	155	150	21.7	24.8	23.7	25.7	5,160	4,140	3,670	3,850
Luxembourg	14	--	--	--	31.4	--	--	--	439	--	--	--
Netherlands	428	355	375	295	43.6	42.8	48.3	40.2	18,644	15,180	18,130	11,850
Norway	2	3	3	2	30.0	30.0	50.0	50.0	60	90	150	100
Portugal	652	672	664	618	11.1	10.3	6.9	5.3	7,227	6,900	4,570	3,300
Spain	1,526	1,406	1,236	1,198	12.7	15.1	12.3	10.4	19,390	21,260	15,160	12,440
Sweden	312	240	257	185	33.0	34.6	35.2	40.6	10,302	8,300	9,040	7,510
Switzerland	35	31	35	30	41.1	50.8	42.3	52.7	1,438	1,575	1,480	1,580
United Kingdom	59	14	19	19	35.1	37.1	37.9	37.9	2,072	520	720	720
Estimated total Western Europe 5/	9,360	8,570	8,050	7,460	28.1	31.7	33.2	27.5	263,000	272,000	267,000	205,000
Bulgaria	530	224	210	210	16.0	16.1	13.3	12.4	8,500	3,600	2,800	2,600
Czechoslovakia	1,550	1,300	1,065	1,144	26.5	29.2	33.1	32.8	41,100	38,000	35,230	37,500
Germany, East	3,110	2,548	2,339	--	26.8	31.3	33.3	--	83,300	79,760	78,000	75,000
Hungary	1,275	875	744	662	19.4	19.9	18.8	17.7	24,700	17,450	13,950	11,700
Poland	12,345	12,852	12,657	12,100	19.0	24.8	24.5	26.9	235,000	319,000	310,000	325,000
Rumania	500	295	242	222	16.6	17.1	16.8	18.0	8,300	5,050	4,065	4,000
Yugoslavia	--	583	526	445	--	17.9	17.4	16.9	8,500	10,430	9,170	7,500
Estimated total Eastern Europe 5/	19,990	18,710	17,820	17,150	20.5	25.3	25.4	26.8	410,000	473,000	453,000	460,000
Estimated total all Europe 5/	29,350	27,280	25,870	24,610	22.9	27.3	27.8	27.0	673,000	745,000	720,000	665,000
U.S.S.R. (Europe and Asia) 6/	54,000	42,175	40,030	42,000	12.8	14.2	13.0	14.3	690,000	600,000	520,000	600,000
Asia:												
Turkey	1,410	1,621	1,425	1,500	16.1	12.3	16.5	16.0	22,700	20,000	23,500	24,000
Africa:												
Republic of South Africa	56	--	--	--	6.4	--	--	--	360	--	--	--
South America:												
Argentina	2,222	3,254	1,811	1,775	11.7	12.8	11.0	11.8	26,000	41,730	20,000	21,000
Estimated world total 5/	90,130	76,690	71,740	72,310	16.1	18.8	18.5	18.7	1,455,000	1,440,000	1,330,000	1,350,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1961 is combined with preliminary forecasts for the Southern Hemisphere harvests, which began late in 1961 and ended early in 1962. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Revised estimates for Northern Hemisphere countries, for Southern Hemisphere, revised preliminary forecasts. 5/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Tentative unofficial estimates for production.

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Wheat production in Western Europe is estimated at 1,250 million bushels, 75 million bushels less than in 1960. Largest reductions were in France, West Germany, Spain, and the United Kingdom. Part of that decline was offset by a substantial increase in Italy. The smaller harvest in Western Europe was caused by reduced acreage; yields were slightly higher than in 1960.

The rye outturn of 205 million bushels in Western Europe was only three-fourths of the 1960 harvest, mainly because of a sharp drop in West Germany. The decrease was caused by reduced acreage.

Total wheat production in Eastern Europe shows little change from the 590 million bushels produced in 1960. At that level, the crop was considerably above the 1950-54 average of 490 million bushels. The increase was due to higher yields.

Rye production in Eastern Europe was 460 million bushels, slightly higher than in 1960 and 12 percent above the 1950-54 average. Acreage was 15 percent below the average but yields were much higher.

The Soviet Union's wheat crop was unofficially estimated at 1.9 billion bushels. This is well above the 1960 harvest and also much above average. Both acreage and yields were larger. Acreage of 155 million acres show a moderate increase over 1960 but is about 44 million acres larger than in 1950-54. Yields varied, with good winter wheat yields, especially in the Ukraine offsetting poor yields of spring wheat in parts. Rye production of 600 million bushels was larger than in 1960 but still below average because of reduced acreage.

Wheat production in Asia is estimated at 1,860 million bushels slightly less than a year earlier. Larger outturns in most countries were offset by smaller crops in Mainland China and Turkey. Unfavorable weather caused below average yields in both countries. Turkey is Asia's only rye producer of any importance and the 1961 crop is estimated at 24 million bushels, little change from a year earlier.

Africa's wheat production is the smallest in many years because of a combination of reduced acreage and low yields. Conditions were especially unfavorable in the important producing countries of former French North Africa. Rye production is minor in Africa.

Southern Hemisphere wheat harvests are now completed and production in South America is larger than in 1960 but not up to the 1950-54 average. The crop in Argentina is estimated at 190 million bushels; this is 70 percent of the continental total of 270 million bushels. Rye in Argentina is estimated at 21 million bushels, slightly above the 1960 outturn. This accounts for about 95 percent of South America's rye production.

Australia's wheat crop is now estimated at 244 million bushels. This is somewhat above earlier expectations and is second only to the harvest of 274 million in 1960. Damage from late-season rains in some districts means that part of the crop is of low quality. Rye is of minor importance in Australia.

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GRAIN
FG 5-62
April 1962

GRAIN SUPPLIES SMALLER IN EXPORTING COUNTRIES

Grain supplies in the four principal exporting countries on January 1, 1962 were smaller than stocks of the past 3 years but still well above the 1950-54 average of 168 million short tons, according to Foreign Agricultural Service estimates.

Aggregate January 1 stocks of wheat, rye, barley, oats, and corn in the four countries are estimated at 252 million short tons. Record U. S. stocks of grain sorghums, amounting to 29 million short tons, further contribute to the large grain surpluses in this country.

The large U. S. sorghum supply is 3 times the 1951-60 average. Sorghums are much less important in the other exporting countries, though Argentina is expanding sorghum production. Even at the greatly increased level, however, production there is only about 5 percent of the U. S. total.

Compared with the January 1, 1961 holding, current stocks in the four countries show a drop of 9 percent. Reductions in North America and Australia account for the decrease; a slight increase is estimated for Argentina. The largest reduction is in Canada's supplies, following the small 1961 harvest. U. S. stocks are also considerably smaller, mainly because of reduced corn supplies, though supplies of other grains are also smaller. Australian supplies are somewhat reduced following smaller crops and heavy export clearances during 1961.

Total supplies of corn are estimated at 4.5 billion bushels, mainly in the United States. This is about 175 million bushels below the record stocks of a year ago but, with that exception, is the largest supply recorded on January 1. Wheat supplies in the four countries totaled 3 billion bushels, compared with 3.4 billion at the beginning of 1961. A sharp reduction in Canada's supply accounts for about 70 percent of the cut. The United States and Australia share the remainder of the reduction equally.

GRAINS: Estimated stocks in principal exporting countries, January 1, 1945-1962 1/

Country and year	Wheat	Rye	Barley	Oats 2/	Corn	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	1,000 short tons
United States:						
Average 1945-49	764	16	200	898	2,062	100,272
Average 1950-54	1,040	16	196	856	2,582	122,344
1955	1,481	26	285	967	2,849	147,242
1956	1,567	29	307	1,043	3,082	158,174
1957	1,489	19	292	792	3,418	160,586
1958	1,383	20	360	928	3,611	166,646
1959	1,820	24	394	1,045	3,927	191,404
1960	1,876	20	362	771	4,393	200,868
1961	2,068	26	358	852	4,687	216,228
1962 3/	2,005	19	333	774	4,494	206,890
Canada:						
Average 1945-49	382	8	116	292	4/	19,432
Average 1950-54	563	20	194	351	4/	28,073
1955	740	28	225	290	4/	33,314
1956	840	27	250	342	4/	37,770
1957	970	20	274	487	4/	44,515
1958	920	20	271	437	4/	42,093
1959	830	13	270	385	4/	38,289
1960	820	12	265	360	4/	37,416
1961	845	14	250	370	4/	38,032
1962 3/	565	10	145	250	4/	24,960
Argentina:						
Average 1945-49	262	21	47	71	79	12,924
Average 1950-54	217	32	36	68	35	10,338
1955	325	30	55	50	30	13,550
1956	260	30	55	55	25	11,540
1957	300	40	67	85	40	14,208
1958	265	33	50	80	45	12,614
1959	290	35	50	60	60	13,520
1960	260	38	52	70	55	12,772
1961	195	22	40	65	25	9,166
1962 3/	205	21	38	60	45	9,870
Australia:						
Average 1945-49	162	4/	13	29	4/	5,636
Average 1950-54	209	4/	30	46	4/	7,726
1955	245	4/	30	50	4/	8,870
1956	280	4/	40	75	4/	10,560
1957	207	4/	47	60	4/	8,298
1958	132	4/	34	37	4/	5,368
1959	220	4/	67	110	4/	9,968
1960	245	4/	40	100	4/	9,910
1961	315	4/	65	112	4/	12,802
1962 3/	250	4/	38	98	4/	9,980
Total:						
Average 1945-49	1,570	45	376	1,290	2,141	138,264
Average 1950-54	2,029	68	456	1,321	2,617	168,481
1955	2,791	84	595	1,357	2,879	202,976
1956	2,947	86	652	1,515	3,107	218,044
1957	2,966	79	680	1,424	3,458	227,607
1958	2,700	73	715	1,482	3,656	226,721
1959	3,160	72	781	1,600	3,987	253,181
1960	3,201	70	719	1,301	4,448	260,966
1961	3,423	62	713	1,399	4,712	276,228
1962 3/	3,025	50	554	1,182	4,539	251,700

1/ Data for Northern Hemisphere countries represent stocks remaining on January 1; estimates for Southern Hemisphere countries include the recently harvested new crop of small grains as well as carryover stocks of old grain on January 1. 2/ Canadian oats in bushels of 34 pounds; data for other countries in bushels of 32 pounds. 3/ Preliminary estimates. 4/ Production small and remaining stocks are of minor importance.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U. S. Agricultural Attaches and Foreign Service Officers, results of office research and related information.

A country breakdown shows stocks of the five grains in the United States at 207 million short tons, almost 10 million tons less than record stocks a year ago. Reductions were greatest in corn, oats, and wheat. Though below the high level of 1961, stocks of all grains except oats were still sharply above average.

Corn stocks of slightly less than 4.5 billion bushels in all positions on January 1 were 4 percent less than a year earlier but 43 percent above the average of the past 10 years. The reduction from a year ago is due to smaller production and heavy disappearance since October 1; carryover on that date was at an all-time high.

U. S. wheat stocks of 2 billion bushels were 3 percent less than at the beginning of 1961 but 44 percent above the average of the past 10 years. Oats stocks of 774 million bushels were 9 percent smaller than last year and 14 percent below average. Barley stocks of 333 million bushels were 7 percent less than a year earlier but nearly a fifth above average.

Canada's total grain stocks of 25 million short tons are the smallest of many years. Poor crops for recent years and a heavy export movement brought current supplies well below the 1950-54 average of 28 million tons. Wheat stocks of 565 million bushels show the greatest drop, with a decline from the 1961 figure of 845 million bushels. Barley and oats stocks were also down substantially.

Southern Hemisphere figures represent total supplies in the country, i.e. carryover of old grain, plus estimates for the entire harvest of small grains nearing completion in early January. Argentine corn, however, as is the case for all Northern Hemisphere grains, represents stocks of old grain on January 1 from previous harvests.

Grain supplies in Argentina are estimated at 9.9 million short tons, compared with 9.2 million a year earlier. The increase is mainly in corn though wheat supplies are also slightly larger.

Supplies in Australia of slightly less than 10 million tons show a substantial decrease from the record total of 12.8 million on January 1, 1961. Following the unprecedented supply of a year ago, a heavy export movement brought carryover below average, which partly offset the large production -- the second largest on record. Current supplies, are still, however, well above average

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NEW INTERNATIONAL WHEAT AGREEMENT NEGOTIATED 1/

The 1962 Agreement

A new International Wheat Agreement was recently negotiated to replace the current agreement, which will expire July 31, 1962. The new agreement, with a duration of 3 years, was negotiated under United Nations auspices at a conference held in Geneva from January 31 to March 10, 1962.

A total of 38 importing countries and 10 exporting countries participated in the negotiations. (See appended list.) The current agreement has 36 importing and 9 exporting members. Nine importer members of the 1959 agreement did not participate in the 1962 proceedings, but they may join the agreement later through accession. The participating exporters were the 9 members of the current agreement plus the Soviet Union; that country took an active part for the first time.

Background

The new agreement follows a series of 4 multilateral-contract type agreements. The first became effective August 1, 1949 for a 4-year period. Renewals, with modifications, were made on a 3-year basis in 1953, 1956, and 1959. The United States has been a member of all agreements, through ratification procedures applicable to treaties.

Long-continued international effort and negotiations preceded the first effective Agreement in 1949. The

1/ Published in collaboration with the Commercial Export Branch of the Grain Division of the Agricultural Stabilization and Conservation Service.

first significant attempt to formulate an agreement was at a conference held in Rome in 1931. An agreement between 22 countries was achieved in 1933 but it lasted only 2 years. Other conferences followed and a "Convention" was adopted in 1942 by a few countries, but it was not accepted on a broad international basis. Conferences followed in 1945, 1946, 1947 and 1948. At the 1948 conference a multilateral-contract type agreement was negotiated but did not receive the ratification required to bring it into force.

<u>1962 Agreement Open for Signature</u>

The new Agreement will be open for signature in Washington during the period April 19 through May 15, 1962. If accepted by governments participating in the negotiations, holding two-thirds of the votes of exporting countries and two-thirds of the votes of importing countries, the agreement will enter into force with respect to administrative provisions on July 16, 1962, and operationally on August 1, 1962. Acceptance may be in the form of (1) an instrument of acceptance or (2) a notification of intention to seek acceptance in accordance with constitutional procedures, followed by deposit of an instrument not later than July 16, 1963.

<u>Objectives and Provisions</u>

The stated objectives of the Agreement are to assure supplies of wheat and wheat flour to importing countries, and markets to exporting countries at equitable and stable prices; to promote the freest possible flow as well as the expansion of international trade in these products; to work toward overcoming the serious handicaps caused by burdensome surpluses and critical shortages; to encourage the use and consumption of wheat and wheat flour generally, and in particular in developing countries; and in general to further international cooperation in connection with world wheat problems.

The essential elements of the new Agreement are the same in character as in the 1959 Agreement. They are:

1. An agreed maximum-minimum price range for trade within the Agreement.

2. An obligation on the part of each member importing country to purchase from member exporting countries when prices are within the price range, not less than a percentage specified for each country, individually, of its annual total commercial purchases from all sources.

3. An undertaking, on the part of member exporting countries in association with one another, to make wheat available within the price range so as

to enable importing countries to discharge their percentage obligations with respect to commercial purchases; and an obligation on the part of exporting countries, in the event prices go to the maximum, to furnish importing countries at the maximum price with quantities of wheat equal to their average commercial purchases on a historical basis. Thereafter, prices may exceed the maximum.

4. Provision for an annual review by the International Wheat Council of the world wheat situation, to be carried out in the light of information obtainable in relation to national production, stocks, prices and trade, including disposal of excess wheat supplies and special transactions, consumption, and other relevant matters.

Operations under the International Wheat Agreement do not involve any government intervention other than implied in the broad obligations of importers and exporters. These having been taken into account in the policies of member governments, trade between individual buyers and sellers proceeds unhandicapped by restrictions or special procedures.

<u>Price Range</u>

The basic minimum and maximum prices in the 1962 Agreement are \$1.62½ and \$2.02½ per bushel, respectively; in the 1959 Agreement they were \$1.50 and \$1.90, respectively. Thus, the 1962 Agreement reflects an increase of 12½ cents per bushel resulting from the recent negotiations. All prices are on a gold basis (i.e., equal to U.S. currency) and are in terms of a basic grade and basing point, namely, No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur.

Equivalent prices for other points of origin and other types of wheat in the world market take into account current rates of exchange, prevailing transportation differentials, and differences in quality. For example, the equivalents of the \$1.90 basic maximum in the 1959 Agreement, computed on the basis of prevailing ocean freights for May 1962 shipment to European destinations from the United States Gulf and Atlantic ports, are \$2.05 and \$2.07 f.o.b., respectively, subject to the exchange and quality differences.

Quality differentials for wheats other than the basic grade are not fixed under the Agreement but are "as agreed between the exporting and the importing country concerned." In practice, these differentials are established by the selling country in the light of competitive considerations, and acceptance of the resulting quoted prices constitutes agreement by the buyer in the importing country.

In the 1962 Agreement, minor refinements were made in the price-equivalents provisions, those with respect to the United States being as follows:

> The establishment of an equivalent for spring wheat in store Duluth/Superior, equal to the basic wheat at Fort William/Port Arthur, subject to exchange rates and difference in quality.
>
> Maximum equivalents at Gulf/Atlantic ports were made to correspond to the c. & f. value in the United Kingdom instead of in country of destination, as in the 1959 Agreement. This eliminates variable equivalents, and the necessity for export payment differentials to various areas.

Also, under the 1962 Agreement, importing countries when making wheat or flour available for purchase by other member countries are required to do so at prices consistent with the price range. Heretofore, they were required "to endeavor so far as possible to do so."

Importers' Obligation

The weighted average of the percentages subscribed under the 1959 Agreement by all importing countries, was approximately 70 percent; in other words, considered together, importing countries obligated themselves to purchase from member exporting countries approximately 70 percent of their total commercial purchases from all sources. In connection with the 1962 Agreement, percentages remain to be subscribed by a few of the smaller importing countries, but the weighted average of all importing countries is expected to be around 85 percent. This is on the assumption that the U.S.S.R. will be a member of the Agreement. A formula is provided for proportionate reduction in the importers' obligation if any exporting country which participated in the negotiations fails to accept the Agreement.

The rights and obligations under the Agreement are of necessity restricted to commercial trade, inasmuch as exports under special government programs, notably Public Law 480 and non-commercial barter (United States) and under the Colombo Plan and Export Credits Insurance (Canada), by their very nature do not involve rights and obligations such as attach to trade under a multilateral agreement.

Exporters' Obligation

The prevailing world price of wheat having been below the Agreement maximum since September 1953, the primary obligation of exporting countries to furnish certain quantities of wheat to importing countries at the maximum price, has

not come into force. Prevailing world prices have been more or less near the mid-point of the Agreement price range from 1954-55 to June 1961, but thereafter the prices of wheats in the higher protein brackets moved well toward the maximum. This price movement and the tightening of world supplies of these wheats which occasioned it, were dominant factors in the negotiation of the price increase in the 1962 Agreement.

The "certain" quantities of wheat which exporting countries are obligated to furnish if prices go to the maximum, represent a moving average of aggregate commercial purchases by importing countries on a historical basis. Under the 1959 Agreement the historical period consisted of the first 5 of the preceding 6 crop years; in the 1962 Agreement it is the first 4 of the preceding 5 crop years.

1960-61 Operations

A review of performance, conducted by the Wheat Council in November 1961, covering the second year of the 1959 Agreement (1960-61), disclosed that all member importing countries had fulfilled their individual obligations, and that the sum total of commercial purchases from member exporting countries constituted 92 percent of total commercial imports from all sources. Twenty-four countries obtained 100 percent of their commercial imports from member exporters, and seven other countries over 90 percent.

The International Wheat Council estimated world trade in wheat (including the U.S.S.R.) in the 1960-61 Agreement crop year to have totaled nearly 42 million metric tons. Of this total trade, 14.4 million tons represented commercial sales by member exporters to member importers subject to the Agreement rights and obligations. However, member countries participated in approximately 38.8 million tons, in one or both sides of the transactions involved, and in all categories of transactions. It is safe to say that in all world trade, the influence of the Agreement price range was present.

In terms of percentages, the Agreement trade in relation to total world trade is shown in the following analysis:

	Percent
Commercial sales by member exporters to member importers subject to the Agreement rights and obligations	34.3
Special transactions (such as Title I, non-commercial barter, etc.); member exporters with member importers	17.1
Trade between member exporters	10.9
Trade between member importers	.5

Trade between member and non-member countries (commercial and special transactions)	30.0
Trade exclusively non-member	7.2
Total	100.0

The 1959 and 1962 Agreements include a new feature in the form of an annual review of the world wheat situation and of the effects on international trade of national policies relating to wheat. The third such review, conducted in November 1961, in addition to dealing with the current supply situation, updated and released for circulation an earlier study on Trade Agreements Involving Wheat, also a study on International Wheat Prices. A study was begun on Wheat Consumption in the Twentieth Century, for completion in connection with future reviews.

Administration of the Agreement

The Agreement is administered internationally by a Wheat Council composed of member countries of the Agreement. The seat of the Council is London. Importing countries' and exporting countries' votes total 1,000 each. Under the 1962 Agreement the United States will hold 290 of the 1,000 exporter votes. The 1960-61 Chairman of the Council is from the Federal Republic of Germany and the Vice Chairman is from the United States. The United States is a member of the Executive Committee, the Advisory Committee on Price Equivalents, and all principal subcommittees and working parties.

Endorsement of U. S. Participation

Prior to the 1962 negotiating conference, participation by the United States had the endorsement of the following national groups:

National Association of Wheat Growers
Great Plains Wheat, Inc.
Western Wheat Associates, USA, Inc.
National Council of Farmer Cooperatives
National Federation of Grain Cooperatives
American Farm Bureau Federation
National Farmers Union
National Grange
National Grain Trade Council
North American Export Grain Association
Pacific Northwest Grain Export Association
Millers' National Federation

Importing countries participating in the 1962 negotiations

Country	Percent commercial purchases pledged	
	1962 Agreement	1959 Agreement
Countries also members of 1959 Agreement: a/		
Austria	60	45
Belgium-Luxembourg	90	80
Brazil	30	50
Cuba	90	90
Dominican Republic	90	90
Fed. Rep. of Germany	87½	70
Greece	b/	50
India	70	70
Indonesia	70	70
Ireland	90	90
Israel	60	60
Japan	85	50
Republic of Korea	90	90
Netherlands	90	75
New Zealand	90	90
Nigeria	80	90
Norway	90	60
Philippines	80	70
Portugal	85	85
Rhodesia & Nyasaland	90	90
Saudi Arabia	70	70
South Africa	90	90
Switzerland	87	80
United Arab Republic	30	30
United Kingdom	90	80
Vatican City	100	100
Venezuela	60	70

Country	Percent commercial purchases pledged in 1962 Agreement
Countries not members of 1959 Agreement:	
Ceylon	80
Colombia	b/
Denmark	b/
Finland	b/
Iran	80
Liberia	70
Libya	70
Morocco	b/
Pakistan	b/
Poland	50
Syria	b/

a/ Nine member importing countries of the 1959 Agreement did not participate in the 1962 negotiations but may join later by accession. These were: Costa Rica, El Salvador, Guatemala, Haiti, Honduras, Iceland, Panama, Peru and Sierra Leone. b/ Percentages not yet indicated.

Exporting countries participating in the 1962 negotiations were: The United States, Canada, Australia, Argentina, the Soviet Union, France, Sweden, Italy, Spain, and Mexico. The latter 3 countries, although participating as exporters were inactive as such during the past 2 years, because of poor crops.

U.S. Implementing Programs

The Commodity Credit Corporation operates an export payment program (payment-in-kind) on wheat and an export payment program (cash) on flour covering exports to any destination not excepted by the Export Control Act administered by the Department of Commerce. These programs facilitate U.S. participation in the world wheat and flour trade on a competitive basis, and at the same time enable the U.S. to fulfill its obligation under the Wheat Agreement with respect to those countries which are members of the Agreement. Export payment rates are announced by CCC daily, in the light of which export sales are made by commercial exporters and registered with CCC under the program for export payment upon proof of exportation. Commercial sales to purchasers in Wheat Agreement importing countries are reported to the Wheat Council for recording against rights and obligations under the Agreement. The export payment program regulations are uniform with respect to both Wheat Agreement and non-Wheat Agreement exportations.

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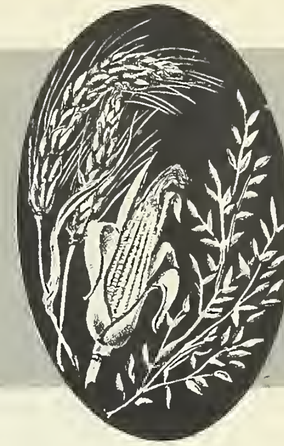

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Growth Through Agricultural Progress

SMALLER 1961 WORLD BARLEY AND OATS HARVEST CONFIRMED

Latest information confirms earlier Foreign Agricultural Service's estimates of a smaller outturn of barley and oats than in 1960. (Foreign Crops and Markets, monthly supplement, January 25, 1962.)

The combined production of the two grains is now estimated at 136 million short tons, 1 million tons less than the previous estimate. The current figure is 9 percent below the near-record 1960 production of 149 million short tons but is 3 percent above the 1950-54 average.

Both barley and oats show reductions from the large 1960 world outturn, but the reduction in oats is the greater. As now estimated at 3,505 million bushels, the oats crop is down 450 million bushels from the 1960 total and is 655 million bushels below the 1950-54 average. Barley production of 3,325 million bushels is 235 million less than in 1960 but is well above the average of 2,703 million bushels. Smaller acreage accounted for a good part of the reduction though lower yields also contributed to the decline.

North America's 1961 harvest of these grains was 17 percent less than in 1960. The sharp drop was due to smaller acreage of both barley and oats in the United States and reduced barley acreage in Canada, as well as much smaller yields of both grains in Canada. Yields in the United States were only slightly below the high 1960 yields.

Barley production in the United States was 393 million bushels, compared with 431 million a year earlier and the 1950-54 average of 283 million. Yields averaged 30.3 bushels per acre, only fractionally below the 30.9 bushels in 1960. Acreage was about 1 million acres less than in 1960 though still above average. Canada's outturn of 123 million bushels was

BARLEY: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	7,916	8,289	7,360	6,090	28.9	27.2	28.1	20.2	228,400	225,550	207,036	123,167
Mexico	573	605	605	--	13.2	13.7	14.0	--	7,554	8,270	8,500	8,500
United States	10,173	14,918	13,939	12,969	27.8	28.3	30.9	30.3	283,026	422,383	431,309	393,384
Estimated total 5/	18,660	23,810	21,900	19,660	27.8	27.6	29.5	26.7	519,000	656,000	647,000	525,000
Europe:												
Austria	363	441	517	464	36.6	42.2	52.3	50.6	13,288	18,620	27,050	23,500
Belgium	213	272	259	297	58.0	67.3	67.8	63.3	12,344	18,300	17,570	18,800
Denmark	1,390	1,858	1,868	1,974	64.4	57.8	68.8	65.5	89,450	107,380	128,600	129,300
Finland	358	576	525	497	30.5	26.4	38.5	33.8	10,904	15,230	20,200	16,800
France	2,713	4,914	5,161	5,594	32.9	46.1	50.9	44.2	89,372	226,480	262,500	247,000
Germany, West	1,733	2,350	2,421	2,768	47.5	55.6	61.1	45.2	82,320	130,600	147,900	125,000
Greece	522	456	448	454	20.0	21.9	23.9	24.2	10,424	10,000	10,700	11,000
Ireland	174	333	328	366	51.2	63.5	61.9	61.5	8,910	21,140	20,300	22,500
Italy	619	546	535	543	21.1	23.4	19.9	23.6	13,057	12,800	10,650	12,800
Netherlands	183	179	170	253	60.4	68.9	78.6	70.0	11,048	12,330	13,370	17,700
Norway	164	348	358	379	44.8	40.2	51.3	51.7	7,350	13,980	18,350	19,600
Portugal	380	339	296	344	14.8	9.0	7.8	7.0	5,620	3,040	2,300	2,400
Spain	3,903	3,706	3,422	3,410	22.8	25.4	20.9	20.3	88,830	94,160	71,650	69,300
Sweden	352	783	798	885	42.2	39.1	48.7	52.0	14,850	30,640	38,900	46,000
Switzerland	53	62	63	73	48.7	56.1	55.2	52.7	2,581	3,480	3,480	3,850
United Kingdom	2,051	3,059	3,372	3,827	48.9	61.3	58.7	60.6	100,326	187,410	198,000	232,100
Estimated total Western Europe 5/	15,190	20,250	20,570	22,160	36.9	44.7	48.3	45.1	561,000	905,000	993,000	1,000,000
Bulgaria	630	661	726	650	26.8	33.1	31.4	30.8	16,900	21,900	22,800	20,000
Czechoslovakia	1,556	1,655	1,750	1,720	33.5	40.7	45.7	42.4	52,100	67,400	80,000	73,000
Germany, East	702	875	960	--	38.2	51.8	57.3	--	26,800	45,300	55,000	46,000
Hungary	1,080	1,336	1,256	1,289	27.3	37.6	36.1	35.1	29,500	50,200	45,300	45,200
Poland	2,072	1,592	1,774	1,680	24.3	30.1	33.8	35.7	50,400	47,900	60,000	60,000
Rumania	1,235	715	657	700	15.8	28.8	28.3	28.0	19,500	20,600	18,600	19,600
Yugoslavia	--	934	897	815	--	28.3	27.1	22.6	16,600	26,400	24,300	18,400
Estimated total Eastern Europe 5/	8,300	7,780	8,040	7,830	25.8	36.0	38.2	35.8	214,000	280,000	307,000	280,000
Estimated total all Europe 5/	23,490	28,030	28,610	29,990	33.0	42.3	45.4	42.7	775,000	1,185,000	1,300,000	1,280,000
U.S.S.R. (Europe and Asia) 6/	22,500	23,700	30,000	28,500	15.6	16.0	17.5	17.5	350,000	380,000	525,000	500,000

Asia:												
Cyprus	135	148	--	--	18.9	20.3	--	--	2,547	3,000	1,900	--
Iran	1,956	--	2,224	--	18.8	--	18.7	--	36,798	45,930	41,500	46,000
Iraq	2,374	2,690	2,564	2,572	14.9	12.4	14.4	16.3	35,270	33,300	36,900	41,850
Israel	175	126	135	74	16.5	23.7	8.9	27.0	2,880	2,985	1,200	2,000
Lebanon	40	30	35	35	19.0	6.2	5.3	10.6	760	185	185	370
Syria	848	--	--	1,038	14.5	--	--	--	12,292	4,600	5,000	--
Turkey	5,540	6,500	6,400	--	23.2	21.5	22.2	--	128,380	140,000	142,000	142,000
China	--	--	--	--	--	--	--	--	325,000	--	--	--
India	8,020	8,243	8,345	7,916	14.7	15.1	15.0	16.1	118,280	124,700	124,800	127,600
Pakistan	557	537	636	536	11.3	12.1	11.0	11.8	6,300	6,500	7,000	6,300
Japan	2,400	2,206	2,071	1,711	37.7	43.6	46.2	48.5	90,439	96,200	95,625	82,970
Korea, South	1,644	1,927	1,958	--	18.5	22.7	22.6	--	30,440	43,800	44,200	47,000
Estimated total 5/	41,110	43,300	44,090	44,150	19.7	19.1	18.6	18.8	810,000	825,000	820,000	830,000
Africa:												
Algeria	3,102	2,693	2,895	--	12.1	11.0	13.5	--	37,494	29,500	39,000	--
Egypt	128	147	154	169	38.9	44.2	46.4	46.4	4,976	6,500	7,140	7,850
Morocco	5,270	4,255	4,333	3,825	14.6	11.8	12.0	6.6	77,000	50,355	52,200	25,200
Tunisia	1,295	1,875	1,700	1,000	6.9	5.8	3.9	4.0	8,920	10,800	6,700	4,000
South Africa, Republic of	135	--	--	--	17.4	--	--	--	2,350	1,000	1,200	1,500
Estimated total 5/	11,520	11,080	11,250	9,350	13.0	10.8	11.6	8.0	150,000	120,000	130,000	75,000
South America:												
Argentina	1,587	2,241	1,778	1,840	24.8	22.9	20.0	20.7	39,320	51,300	35,500	38,000
Chile	136	171	158	168	31.7	34.3	29.9	32.7	4,316	5,860	4,730	5,500
Colombia	122	138	138	136	22.5	33.6	35.3	33.8	2,740	4,640	4,870	4,600
Ecuador	248	315	292	205	12.2	13.4	14.6	15.6	3,030	4,220	4,270	3,200
Peru	465	469	499	494	21.5	19.7	17.9	19.2	9,980	9,260	8,950	9,500
Uruguay	81	109	165	129	16.6	12.4	13.6	13.5	1,344	1,350	2,250	1,740
Estimated total 5/	2,830	3,700	3,290	3,230	23.0	21.6	19.8	21.7	65,000	80,000	65,000	70,000
Oceania:												
Australia	1,412	2,400	2,830	2,555	22.2	14.8	25.0	15.9	31,350	35,500	70,800	40,500
New Zealand	53	62	62	65	45.1	53.2	54.8	52.3	2,388	3,300	3,400	3,400
Total	1,465	2,462	2,892	2,620	23.0	15.8	25.7	16.8	33,738	38,800	74,200	43,900
Estimated world total 5/	121,580	136,080	142,030	137,500	22.2	24.1	25.1	24.2	2,700,000	3,285,000	3,560,000	3,325,000

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Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service officers, results of office research, and related information.

OATS: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/				Yield per acre				Production			
	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada 5/	10,813	11,391	11,147	11,583	38.6	36.7	40.9	28.8	417,429	417,933	456,134	333,907
Mexico	206	235	272	--	18.2	23.4	22.1	--	3,759	5,500	6,000	5,500
United States	37,928	27,793	26,646	24,077	33.9	37.9	43.4	42.1	1,285,417	1,052,059	1,155,312	1,012,855
Estimated total 6/	48,950	39,420	38,070	35,920	34.9	37.4	42.5	37.6	1,707,000	1,476,000	1,617,000	1,352,000
Europe:												
Austria	539	403	397	384	44.8	53.3	59.4	60.2	24,156	21,460	23,600	23,100
Belgium	405	351	347	334	80.2	82.9	89.3	91.6	32,462	29,100	31,000	30,600
Denmark	647	504	489	484	90.8	77.6	95.9	96.3	58,740	39,130	46,900	46,600
Finland	1,143	1,139	1,212	1,169	47.1	42.1	63.0	55.4	53,801	47,970	76,400	64,800
France	5,596	3,715	3,526	3,512	43.3	52.2	53.4	49.0	242,298	194,000	188,400	172,000
Germany, West	2,681	2,005	1,847	1,787	67.3	70.1	81.2	73.8	180,322	140,470	150,000	131,800
Greece	365	319	315	323	26.2	30.1	32.4	32.5	9,558	9,600	10,200	10,500
Ireland	613	462	425	370	63.2	72.0	68.9	70.3	38,744	33,250	29,300	26,000
Italy	1,140	1,017	1,010	1,059	32.9	36.6	29.4	38.1	37,516	37,250	29,700	40,300
Luxembourg	52	--	40	--	50.0	--	75.0	--	2,602	--	3,000	--
Netherlands	368	309	282	304	87.5	71.2	94.4	97.7	32,210	22,000	26,630	29,700
Norway	187	160	161	158	62.7	50.6	73.9	75.9	11,726	8,100	11,900	12,000
Portugal	774	751	747	743	12.2	8.1	5.7	5.7	9,424	6,120	4,230	4,270
Spain	1,520	1,396	1,379	1,359	23.2	27.6	21.5	23.9	35,306	38,580	29,700	32,500
Sweden	1,215	1,325	1,378	1,405	47.8	41.2	58.8	67.3	58,124	54,600	81,000	94,500
Switzerland	64	39	35	39	77.3	85.1	94.9	78.2	4,946	3,320	3,320	3,050
United Kingdom	2,854	2,032	1,974	1,723	65.4	75.3	73.0	74.0	186,774	153,090	144,060	127,500
Estimated total Western Europe 6/	20,160	15,970	15,560	15,200	50.6	52.6	57.2	56.2	1,020,000	840,000	890,000	855,000
Bulgaria	397	446	447	425	27.7	32.1	30.6	30.6	11,000	14,300	13,700	13,000
Czechoslovakia	1,380	1,250	1,245	1,150	44.2	52.0	56.2	57.4	61,000	65,000	70,000	66,000
Germany, East	1,352	1,013	890	--	56.7	62.4	73.0	--	76,600	63,200	65,000	60,000
Hungary	355	420	350	273	31.0	41.9	40.0	35.2	11,000	17,600	14,000	9,600
Poland	4,130	4,200	4,055	3,959	35.8	41.0	46.9	50.5	148,000	172,200	190,000	200,000
Rumania	1,175	741	670	600	22.9	29.3	29.3	27.5	26,900	21,700	19,600	16,500
Yugoslavia	--	835	825	741	--	33.3	31.2	34.4	19,420	27,800	25,700	25,500
Estimated total Eastern Europe 6/	9,730	8,950	8,530	8,080	36.5	43.0	46.9	48.3	355,000	385,000	400,000	390,000
Estimated total all Europe 6/	29,890	24,920	24,090	23,280	46.0	49.2	53.5	53.5	1,375,000	1,225,000	1,290,000	1,245,000
U.S.S.R. (Europe and Asia) 7/	40,000	35,400	31,500	28,500	20.9	21.2	23.8	22.8	835,000	750,000	750,000	650,000

Asia:												
Syria	22	15	10	--	24.3	20.0	20.0	--	535	300	200	--
Turkey	808	900	976	949	30.9	30.6	35.3	29.1	24,958	27,500	34,500	27,600
China	--	--	--	--	--	--	--	--	70,000	--	--	--
Japan	208	193	195	202	47.6	61.9	56.8	59.2	9,910	11,950	11,080	11,950
Estimated total 6/	4,400	4,680	4,850	4,930	25.0	22.4	22.7	20.3	110,000	105,000	110,000	100,000
Africa:												
Algeria	428	144	165	--	20.9	14.6	20.6	--	8,940	2,100	3,400	1,500
Morocco	145	55	50	65	28.3	15.5	21.0	15.4	4,103	850	1,050	1,000
Tunisia	59	--	--	--	18.2	--	--	--	1,074	--	--	--
South Africa, Republic of	365	--	--	--	15.9	--	--	--	5,800	9,000	8,000	8,000
Estimated total 6/	1,040	830	820	800	20.2	18.1	18.3	18.8	21,000	15,000	15,000	15,000
South America:												
Argentina	1,655	1,971	1,896	--	34.0	34.3	30.6	--	56,284	67,700	58,100	50,000
Chile	238	273	266	259	28.6	28.7	32.0	32.0	6,800	7,840	8,500	8,300
Uruguay	145	97	198	192	19.4	15.5	22.2	18.8	2,816	1,500	4,400	3,600
Estimated total 6/	2,090	2,430	2,450	2,230	32.1	32.9	30.6	29.1	67,000	80,000	75,000	65,000
Oceania:												
Australia	2,325	3,000	3,637	3,428	18.2	19.5	26.2	21.6	42,252	58,500	95,250	74,200
New Zealand	37	34	39	36	62.4	67.1	65.0	62.5	2,308	2,280	2,535	2,250
Total	2,362	3,034	3,676	3,464	18.9	20.0	26.6	22.1	44,560	60,780	97,785	76,450
Estimated world total 6/	128,730	110,710	105,460	99,120	32.3	33.5	37.5	35.4	4,160,000	3,710,000	3,955,000	3,505,000

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the smallest since 1949 because of small acreage and low yields. The acreage of 6.1 million acres was 1.8 million less than in 1950-54 and yields of 20.2 bushels per acre were 30 percent less than during that period.

The U.S. oats crop was 1,013 million bushels, compared with 1,155 million in 1960 and the 1950-54 average of 1,285 million. Acreage was down 2.6 million acres from the 1960 area and was 13.8 million below the 1950-54 average. Yields of 42.1 bushels per acre, though slightly below 1960 yields, are considerably above the 1950-54 average of 33.9 bushels. The Canadian crop of 334 million bushels was below 1960 and the average, because of low yields. The yields of 28.8 bushels per acre contrast with 40.9 bushels in 1960 and the average of 38.6 bushels. Acreage was up to 11.6 million acres compared with 10.8 million in 1950-54.

Barley production was up to 1 billion bushels in Western Europe because of larger acreage. Yields were less than in 1960 but still considerably above the 1950-54 average. Increased acreage was fairly general, but the largest increases were reported for France, West Germany, and the United Kingdom.

Oats production was down, with a crop of 855 million bushels compared with 890 million in 1960 and the average of 1,020 million. Acreage and yields were down slightly.

Eastern Europe's 1961 harvests of these crops were moderately below the good outturns in 1960 but were well above average despite reduced acreage. Reported yields are at a considerably higher level than during 1950-54.

The Soviet Union's crops of barley and oats were less than in 1960 mainly because of reduced acreage. Barley acreage is reported at 28.5 million acres, 1.5 million below the 1960 total but 6 million above the 1950-54 average. Acreage of oats is estimated at 28.5 million acres, continuing a downward trend from the 40 million acres estimated for 1950-54 and 31.5 million in 1960. Lower yields also contributed to the smaller harvest of oats.

In Asia there was no significant change from the 1960 total for the two grains, with a slight increase in barley offset by a reduction in oats. The decrease is mainly in Turkey where yields were reported smaller than in 1960.

Production of these crops in Africa was considerably smaller than in 1960 mainly because of failure of the barley crop in former French North Africa, where the bulk of the crop is grown. Drought there caused a sharp drop in acreage and reduced yields drastically. As a result Africa's total output was only half an average crop.

South America's recently completed harvest was slightly above average for barley but below average for oats. Argentina is the principal producer of the area, normally accounting for about 60 percent of the continent's barley and 80 percent of the oats. Barley acreage was larger than in 1960

and well above average while oats acreage was smaller than a year earlier.

Australia's harvest was considerably smaller than in 1960 though still well above average. Barley production of 40 million bushels contrasts with 71 million a year earlier and the 1950-54 average of 31 million. The outturn of oats is estimated at 74 million bushels, 21 million less than the bumper crop a year earlier but 32 million above the average. Yields were considerably lower than in 1960 as a result of severe drought.

UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON 25, D. C.

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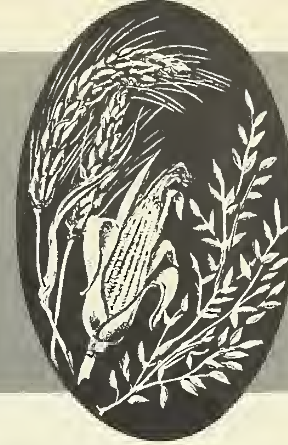

GRAIN
FG 8-62
May 1962

COMMON MARKET ISSUES GRAIN TRADE REGULATIONS; DECISIONS OUTLINED

New regulations issued by the European Economic Community (the Common Market) will cover trade in grain among the 6 member countries--France, West Germany, Italy, Belgium, the Netherlands, and Luxembourg--and grain imports from outside countries. The regulations, scheduled to become effective July 1, 1962, were developed by the Common Market in formulating a common agricultural policy for its members.

The regulations, which give preferential treatment to Common Market countries over outside suppliers, could well restrict the substantial grain trade of the United States with the individual countries making up the customs union.

In the fiscal year 1960-61, U. S. wheat and feed grain exports to the Common Market countries amounted to 5.5 million metric tons, valued at $317 million. That represented 45 percent of all U. S. grain sold for dollars.

Despite issuance of the regulations, the United States has not relaxed its efforts to maintain access for its grain in the Common Market. Recently at Geneva the United States and the Common Market negotiated a joint "standstill" agreement on quality wheat, ordinary wheat, corn, grain sorghums, and rice.

Under the agreement, the Common Market will negotiate further, and will continue existing trade regulations of individual countries until the new regulations are implemented. In the case of quality wheat, the Common Market will adjust its regulations after implementation to correct for any decline in U. S. exports to the area resulting from application of the regulations.

It is too early to estimate the future effect of the regulations on U.S. grain exports to the Common Market. The long-term effect will depend upon the level of price support eventually established for grain within the Common Market. To the extent that supports are so high as to encourage increased production within the Common Market, requirements for grain from the United States would be reduced. The first steps to be taken in grain pricing in Germany and France for the 1962-63 crop apparently will result in 5 to $7\frac{1}{2}$ percent price increases in these countries compared with present levels.

The Grain Regulations

The new trading rules approved by Common Market authorities January 14, 1962, apply to all grains (except rice) and certain grain products, such as flour, groats, and cereal meal. The regulations provide measures exporter and importer members will use to reduce progressively during a transition period the obstacles to free trade within the Community. Further, they tend to insulate the grain trade of member countries from the competition of grain produced in "third" or outside countries through a complex system of variable import levies.

Trade among member countries: At present, prices of grains in the member countries are supported at levels established by the respective governments. These support prices differ considerably among the various countries. To equalize the differences, the regulations provide a system of intra-Community levies that will govern grain trade within the Common Market.

The levies, or charges against imports, correspond to the differences between the prices prevailing in the exporting member countries and in the importing member countries. The levies will be applied in such a way as to prevent disturbances in the importing countries. During a transition period, which is to end by January 1, 1970, steps are provided to attain a common price among member nations. At that time, intra-Community levies, being no longer necessary, will be abolished.

In addition to the levies, the regulations provide for "target" prices--on purchases by wholesalers. Target prices to be applied in wholesale markets in member countries for 1962-63 are to be determined within a Community-wide ceiling and floor. The ceiling price has been fixed at 7.5 percent above the present computed wholesale price in the largest deficit area in West Germany; the floor price is to be at least 5 percent above the present computed wholesale price in the largest producing area of France. From the market year 1963-64 on, the differences between the national target prices will be reduced progressively, the objective being a Community-wide target price at the end of the transition period.

Support price measures are to be continued as at present in member countries. Governments are bound by the regulations to purchase domestic grain between 5 and 10 percent below target prices. The regulations define this as the "intervention" price.

Present quantitative import restrictions, mixing regulations, and state trading must be eliminated subject to the following exceptions:

1. Escape Clause Action: Such action may, during the transition period, be taken by any member state if, despite the variable import levy, its grain market becomes "subjected to or threatens to become subjected to serious disturbances."

2. Postponement of Liberalization Measures: If a member state should encounter "serious difficulties" in eliminating existing protective measures as required by the regulation, it may be granted a grace period of one year, which may be extended for another year.

Trade with Outside Countries: For imports from outside or third countries the variable import levies would be the difference between prices on the world market and those of the importing member countries, plus a preferential margin to favor trade within the Community. Following the transition period, a single uniform Common Market levy will apply.

For example, during the transition period, wheat shipped from Country X outside the Common Market to Country Y within the Common Market would pay a duty based on considerations illustrated by the following hypothetical example:

	$ per metric ton
Producer price in maximum deficit area	$ 85.00
Wholesale margin including local freight	4.00
Minimum wholesale price	89.00
Plus 7.5 percent increase to target price	6.60
Target price	95.60
Less freight from maximum deficit area to border	1.40
Border price	94.20
Plus preferential treatment	1.80
Plus quality surcharge	4.00
Border price - non-Member country wheat	100.00
C.i.f. price non-Member country wheat	65.00
Import levy	$ 35.00

At the end of the transition period, the same factors would hold, except that the levy would be identical for all Common Market countries.

"Standstill" Agreement Between the United States and Common Market

Despite the grain regulations promulgated by the Common Market, the United States has continued efforts to maintain access to this highly important market. As a step in this effort, bilateral discussions between the United States and the Common Market at recent negotiations held in connection with the General

Agreement on Tariffs and Trade have led to an understanding with respect to trade in grains. Separate agreements have been reached on "quality wheat," and all other grains, including "ordinary wheat." corn, grain sorghums, and rice.

"Quality wheat" is expected to include Northern Spring, Grades 1 and 2, all protein levels; Hard Winter, Grades 1 and 2, 12 percent protein and above; Hard White, Grades 1 and 2, all protein levels; Durum, Grades 1 and 2, all protein levels.

"Ordinary wheat" is Soft Red Winter, and Hard Red Winter below 12 percent protein.

In the case of quality wheat, there is, first of all a standstill provision in which the Common Market and its member states agree that, before the implementation of the new system, no new measures to restrict or regulate imports shall be introduced and that the member states shall endeavor to avoid any adverse change in the level of imports.

Second, the Common Market agrees that, as soon as the Community introduces a common policy on wheat and at the latest by June 30, 1963, it will enter into negotiations on the consequences of such a policy on imports from third countries. Moreover, it agrees to consult with third countries at any time if imports from them show any appreciable decline below the average of the corresponding period of the last 3 years. If the decline is related to the implementation of the common policy for wheat, the Common Market and the member states will take appropriate measures to remedy the decline.

For ordinary wheat, corn, grain sorghums, and rice, the Common Market and member states agree that, until the common policy for these grains is put into operation, they will not modify their national import systems in such a way as to make them more restrictive. Upon adoption of the common policy, the Community agrees to enter into negotiations with the United States on the situation of exports of these products by the United States.

Effect of the Regulations on U.S. Grain Exports to the Common Market

For the United States and other third countries, continued access to the Common Market for wheat and feed grains is expected to depend on the level at which target prices in the Community will ultimately be sent. If they are held to moderate levels, there is every reason to expect total volume of U.S. grain imports to be maintained or to increase. If, on the other hand, domestic prices are high and Common Market production is insulated from world competition, production within the Common Market will probably increase, which would mean reduced demand for U. S. grain.

It is disturbing to see that the upper limits of the target prices for wheat for the crop year 1962-63 have been set 7.5 percent above the 1961-62 guaranteed producer price in the maximum deficit area of the member country having the largest volume of imports--Germany. This is taking full advantage of the grain regulation to exert an upward pressure on producer prices. It is

in contrast to earlier proposals in the Commission to start gradually lowering German wheat prices beginning July 1961. Producer prices of wheat are also being increased 5 percent in France, which is the country with the largest export volume of grains.

The current grain regulations provide for the transition period toward a common price for wheat, and similarly for feed grains, to begin with the 1963-64 crop year. Only when the magnitude and directions of the proposed yearly changes in prices are known, can the ultimate common price level be predicted.

It must be remembered, however, that the Common Market is a dynamic mechanism. The addition of new members, changes in the political picture in Europe and other parts of the world, the vagaries of the weather, and many other factors which cannot now be foreseen could well modify the situation as time goes by.

Common Market Imports from Third Countries

Imports of wheat and feed grains by the Common Market from third countries are very important. Total imports from outside the Community and imports from the United States are shown in the following table:

EUROPEAN COMMON MARKET: Grain imports, total and from United States, 1958-59 through 1960-61

Commodity and country	1958-59		1959-60		1960-61	
	Total	From U.S.	Total	From U.S.	Total	From U.S.
	1,000 M.T.	1,000 M.T.	1,000 M.T.	1,000 M.T.	1,000 M.T.	1,000 M.T.
Wheat and Flour:						
Belgium 1/	492	82	407	53	478	118
France	548	37	434	2	496	27
Germany, West	2,431	530	2,094	319	2,204	220
Italy	79	--	112	196	2,371	1,128
Netherlands	1,112	321	1,111	272	938	347
Total EEC	4,662	970	4,158	842	6,487	1,840
Feed Grains:						
Belgium 1/	1,386	894	1,578	952	1,361	666
France	496	122	218	75	223	366
Germany, West	2,738	855	3,162	1,216	1,963	876
Italy	1,032	89	2,013	99	2,195	143
Netherlands	2,416	1,693	2,723	1,706	2,725	1,572
Total EEC	8,068	3,653	9,694	4,048	8,467	3,623

1/ Includes Luxembourg.

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Foreign Agricultural Service Washington D.C.

GRAIN
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June 1962

THE COMMON MARKET'S GRAIN IMPORT NEEDS IN 1965 AND 1970

The Common Market[1/] is an extremely important grain deficit area. In the period 1957-58/1959-60 its net imports of wheat averaged 1.9 million tons and coarse grains 7.3 million tons. A common agricultural policy has recently been adopted by the Market. It will become effective on July 1, 1962. In 1970, at the end of a transition period, uniform grain support prices and external import levies will apply in all member countries. This has raised questions regarding the Common Market's future grain import requirements.

A basic factor in the Market's grain policy will be the uniform price level which is yet to be determined. Thus it was necessary to make a price assumption along with other assumptions listed in Appendix II.

This publication deals with the outlook for the Common Market's grain import needs from all sources. The share that the United States will have in the total imports would be the subject of another study.

1/ Officially called the European Economic Community and including France, West Germany, Italy, Belgium, the Netherlands, and Luxembourg.

NOTE: This report, prepared by Robert A. Bieber and Kenneth L. Murray, is an abstract of a more detailed study which will be available upon request to the Foreign Agricultural Service, U.S. Department of Agriculture, Washington 25, D.C.

Summary

The Common Market's net import requirements for all grains are expected to decline slightly during the next few years. But by 1965 or 1966 the upward trend will be resumed and by 1970, net import requirements for all grains will be about 4 percent above present levels. Net import requirements for all grains averaged 9.1 million tons in 1957-58/1959-60; for 1965 they are estimated at 8.5 million tons and for 1970 at 9.5 million tons.

Wheat net import requirements for the Market are expected to decrease from a current average of 1.9 million tons to 1.1 million tons in 1965 and 250 thousand tons in 1970. In spite of this decline, imports of "quality wheat" for blending are expected to continue in the range of 1.5 to 2.0 million tons. Net imports of durum wheat are expected to decrease by about 500,000 tons and Common Market net exports of soft wheat are expected to rise. Most of the expected increase in soft wheat production more than probably will be denatured and fed to livestock.

Coarse grain net imports are expected to increase from a current average of 7.3 million tons to 7.4 million tons in 1965 and 9.2 million tons by 1970.

Wheat

Production: Ninety-five percent of the wheat produced in the Common Market consists of soft varieties. The remaining 5 percent is durum wheat, most of which is produced in Italy, and the balance in France.

The Common Market's 1970 soft wheat production is estimated at one-third above the current average. Since the Market is already self-sufficient in soft wheat, the anticipated increased production will mean a large surplus, about 80 percent of which is expected to be used as feed. The Common Market's grain policy provides for the subsidization of denaturing wheat for feed.

France produces roughly two-fifths of the Common Market's soft wheat. More than half of the Market's increased production will be in that country.

France once had some 5 million hectares (about 12 million acres) more in grain than now, so there apparently is a potential for grain area expansion. This question was investigated in detail, but the conclusion reached was that only about ½ million hectares could be added to French grain area under the stated price assumption. About half of the additional area is expected to go into wheat. Yields will rise about 20 percent; thus French wheat production is estimated at 13.5 million tons in 1970 compared to a current average of 10.8 million tons.

Wheat production is expected to increase in each of the other countries except Belgium. The total increase will result from higher yields which will more than offset the general decrease in soft wheat area outside of France.

In Italy there will be a decrease of roughly 400,000 hectares in soft wheat area but an increase in durum wheat area of over 200,000 hectares. Italy's durum production will more than equal its needs in 1970. The table below gives the Common Market's wheat production in the base period and estimated levels for 1965 and 1970.

WHEAT: Production in the Common Market, average 1957-58/1959-60 and estimated for 1965 and 1970

Country	Average 1957-58/ 1959-60	1965	1970
	1,000 metric tons	1,000 metric tons	1,000 metric tons
West Germany	4,015	4,725	5,450
France	10,762	12,500	13,500
Italy	1/ 8,920	2/ 9,075	3/ 9,440
Belgium	792	780	775
Netherlands	430	570	635
Total	24,919	27,650	29,800

1/ Includes 1,660 thousand tons durum wheat.
2/ Includes estimated 1,875 thousand tons durum wheat.
3/ Includes estimated 2,160 thousand tons durum wheat.

Utilization: Wheat consumption for food is decreasing steadily in the Common Market countries. By 1970, human consumption of wheat is expected to be 3 percent below the current average.

Italy is the only country in the Market where wheat consumption for food is expected to rise, but even in that country per capita wheat consumption is stagnant, and increases come only from population growth.

Feed use of wheat will increase in all countries. France is expected to feed 50 percent more wheat than the current average and West Germany 75 percent more. As mentioned above, the bulk of the Market's soft wheat surplus will be denatured for feed use. In this way the French surplus can be absorbed by the Market without forcing its use in bread flour. The expected change in the relative price of feed grains to wheat would aid this development. Feed grains are expected to become more expensive in relation to wheat in France, Italy and the Benelux.

Present and estimated future levels of per capita consumption of wheat in the Market are as follows:

WHEAT: Per capita consumption in the Common Market, average for 1957-58/1959-60 and estimated for 1965 and 1970

Country	Average 1957-58/ 1959-60	1965	1970
	Kilograms	Kilograms	Kilograms
West Germany	73	64	57
France	132	125	120
Italy	160	158	155
Belgium	107	101	92
Netherlands	96	82	73

The utilization of wheat in the Common Market is expected to develop as follows:

WHEAT: Utilization in the Common Market, average 1957-58/1959-60 and estimated for 1965 and 1970

Country	Period	Food	Feed and other	Total
	Years	1,000 M. T.	1,000 M. T.	1,000 M. T.
West Germany	1957-58/1959-60	3,992	1,837	5,829
	1965	3,700	2,700	6,400
	1970	3,500	3,200	6,700
France	1957-58/1959-60	5,951	3,484	9,435
	1965	5,880	4,620	10,500
	1970	5,840	5,160	11,000
Italy	1957-58/1959-60	7,856	1,080	8,936
	1965	8,000	1,100	9,100
	1970	8,100	1,300	9,400
Belgium	1957-58/1959-60	970	148	1,118
	1965	950	300	1,250
	1970	900	500	1,400
Netherlands	1957-58/1959-60	1,087	364	1,451
	1965	1,000	500	1,500
	1970	950	600	1,550
Total	1957-58/1959-60	19,856	6,913	26,769
	1965	19,530	9,220	28,750
	1970	19,290	10,760	30,050

Import Requirements: Although a soft wheat surplus is developing in the Common Market it does not preclude imports of "quality wheat" for blending and improving domestic flours. Quality wheat imports now average about 1.5 million tons. This level is expected to be at least maintained and perhaps even increased up to 2.0 million tons. With the growth of large-scale commercial bakeries, especially in West Germany, there is a need for high quality wheat to lengthen shelf-life of the packaged bread being produced.

Imports of durum wheat are expected to decline as Italian durum production increases. Common Market net imports of durum in 1959-60 were 1 million tons. By 1970 they are expected to be about half that amount.

French exports of soft wheat are expected to reach about 3 million tons in 1970 compared to a current average of 1.6 million tons. This increase in French exports will be the major factor in reducing the Common Market's net import requirements of wheat from a current average of 1.9 million tons to only 250 thousand tons in 1970.

WHEAT: Net import requirements[1] for the Common Market, average 1957-58/1959-60 and estimated for 1965 and 1970

Country	Average 1957-58/ 1959-60	1965	1970
	1,000 metric tons	1,000 metric tons	1,000 metric tons
West Germany	-1,814	-1,675	-1,250
France	+1,327	+2,000	+2,500
Italy	-16	-25	+40
Belgium	-326	-470	-625
Netherlands	-1,021	-930	-915
Total	-1,850	-1,100	-250

1/ (-) = imports (+) = exports

Coarse Grains

Production: Coarse grain production in the Common Market is expected to rise from a current average of 26 million tons to 31 million tons in 1965 and 34 million tons in 1970, almost entirely because of higher yields. Coarse grain area is expected to increase only 1 percent.

Higher coarse grain yields will result chiefly from (1) technological improvements such as more fertilizer, better varieties and (2) a shift from lower yielding grains i.e., oats and rye to higher yielding types i.e., barley and corn.

France produces about 35 percent of the Market's coarse grain. Of the 8-million-ton increase expected in the Common Market's total coarse grain production by 1970, France is expected to account for 5 million tons. French coarse grain area in 1970 is estimated at 4 percent above present levels. Barley area in France will increase by about 400,000 hectares and corn by almost 300,000 hectares.

Italian coarse grain production by 1970 is expected to increase by 1.6 million tons, mostly corn, the production of which is expected to exceed 5 million tons by 1970.

Coarse grain production in West Germany is also expected to rise by 1.6 million tons by 1970. Barley production will rise by 2.2 million tons but decreases are expected in oats and rye production.

COARSE GRAIN: Production in the Common Market, average 1957-58/1959-60 and estimated for 1965 and 1970

Country	Average 1957-58/ 1959-60	1965	1970
	1,000 metric tons	1,000 metric tons	1,000 metric tons
West Germany	9,613	10,550	11,210
France	9,218	12,970	14,360
Italy	4,669	5,490	6,265
Belgium	978	1,095	1,170
Netherlands	1,252	1,360	1,415
Total	25,730	31,465	34,420

Utilization: Three-fourths of the coarse grain utilized in the Common Market is fed to livestock and poultry. Only about 10 percent is used directly for food, and the remaining 15 percent is utilized in industry (mainly barley for malt) and as seed.

Compared to the current average, the Common Market will use 6 million tons more of coarse grains in 1965 and 10 to 11 million tons more in 1970 because of larger feed requirements for livestock and poultry.

Besides an increase in animal units, greater consumption per unit is expected, especially in cattle. At present cattle consume a relatively small proportion of the total grain fed in the Common Market. To attain the expected increases in beef production more grain per pound of meat will be fed due to the limits in pasture and forage production.

The largest increase in coarse grain consumption is expected in Italy. Rising incomes in that country are strongly increasing demand for livestock products whose present consumption is low. Italy has only recently become an important importer of coarse grains (mainly corn) and this trend is expected to continue.

COARSE GRAINS: Utilization in the Common Market, average 1957-58/1959-60 and estimated for 1965 and 1970

Country	Period	Food	Feed and other	Total
	Years	1,000 metric tons	1,000 metric tons	1,000 metric tons
West Germany	1957-58/1959-60	1,858	10,245	12,103
	1965	1,600	11,800	13,400
	1970	1,600	12,800	14,400
France	1957-58/1959-60	122	8,983	9,105
	1965	115	10,385	10,500
	1970	110	11,890	12,000
Italy	1957-58/1959-60	1,040	4,986	6,026
	1965	880	7,400	8,280
	1970	670	9,200	9,870
Belgium	1957-58/1959-60	59	2,283	2,342
	1965	50	2,600	2,650
	1970	50	2,900	2,950
Netherlands	1957-58/1959-60	141	3,266	3,407
	1965	140	3,885	4,025
	1970	140	4,285	4,425
Total	1957-58/1959-60	3,220	29,763	32,983
	1965	2,785	36,070	38,855
	1970	2,570	41,075	43,645

Import Requirements: Coarse grain requirements are expected to grow more rapidly than production. The Market's net imports are estimated at 7.4 million tons in 1965 and 9.2 million tons in 1970, compared with a current average of 7.3 million tons. The area's net imports of coarse grains would grow even faster if it were not for the increasing substitution of wheat as feed.

France is the only country in the Market where increases in production of coarse grain are expected to exceed growth in requirements. French exports of coarse grains are expected to rise rapidly during the next several years but level off by 1965 or 1966.

In Italy, where the potential for increased consumption of livestock products is the greatest, import requirements are growing the fastest. In 1970 Italy is expected to have the largest deficit in coarse grains.

COARSE GRAIN: Net import requirements 1/ for the Common Market, average 1957-58/1959-60 and estimated for 1965 and 1970

Country	Average 1957-58/ 1959-60	1965	1970
	1,000 metric tons	1,000 metric tons	1,000 metric tons
West Germany	-2,490	-2,850	-3,190
France	+113	+2,470	+2,360
Italy	-1,357	-2,790	-3,605
Belgium	-1,364	-1,555	-1,780
Netherlands	-2,155	-2,665	-3,010
Total	-7,253	-7,390	-9,225

1/ (-) = imports (+) = exports.

APPENDIX I

GRAIN 1/: Production, consumption and net import requirements of the Common Market, average 1957-58/1959-60 and estimated for 1965 and 1970

Country	Period	Production	Food	Feed and other	Total	Net import requirements 2/
	Years	1,000 M. T.	1,000 M. T.	1,000 M. T.	1,000 M. T.	1,000 M. T.
West Germany	1957-58/1959-60	13,628	5,850	12,082	17,932	-4,304
	1965	15,275	5,300	14,500	19,800	-4,525
	1970	16,660	5,100	16,000	21,100	-4,440
France	1957-58/1959-60	19,980	6,073	12,467	18,540	+1,440
	1965	25,470	5,995	15,005	21,000	+4,470
	1970	27,860	5,950	17,050	23,000	+4,860
Italy	1957-58/1959-60	13,589	8,896	6,066	14,962	-1,373
	1965	14,565	8,880	8,500	17,380	-2,815
	1970	15,705	8,770	10,500	19,270	-3,565
Belgium	1957-58/1959-60	1,770	1,029	2,431	3,460	-1,690
	1965	1,875	1,000	2,900	3,900	-2,025
	1970	1,945	950	3,400	4,350	-2,405
Netherlands	1957-58/1959-60	1,682	1,228	3,630	4,858	-3,176
	1965	1,930	1,140	4,385	5,525	-3,595
	1970	2,050	1,090	4,885	5,975	-3,925
Total	1957-58/1959-60	50,649	23,076	36,676	59,752	-9,103
	1965	59,115	22,315	45,290	67,605	-8,490
	1970	64,220	21,860	51,835	73,695	-9,475

1/ Excluding rice but including all coarse grains and wheat.
2/ (-) = imports (+) = exports.

APPENDIX II

Assumptions

1. Support prices: In making the study it was assumed that at the end of the transition period of the Market's common agricultural policy (1970), the uniform grain support (intervention) prices existing in each country would be as follows: 1/

(a) soft wheat - \$2.50 to \$2.60 per bushel

(b) durum wheat - \$3.25 to \$3.40 " "

(c) barley - \$1.70 to \$1.80 " "

(d) rye - \$1.85 to \$1.95 " "

(e) corn - \$2.10 to \$2.20 " "

2. Economic conditions: It is assumed that the current average rate of economic growth will continue in the period under study. The optimism generated by the prospect of free trade among Common Market members will continue as a major factor in the area's current economic boom.

3. Weather: Average weather conditions are assumed in the forecast years of 1965 and 1970. These years should be regarded as 3-year periods, i.e., 1964-66 and 1969-71.

1/ Higher uniform support prices would doubtless stimulate additional production and limit consumption increases. In that event the estimated import requirements would be less than this report indicates.

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Foreign Agricultural Service Washington D.C.

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NEAR-RECORD 1961 CORN PRODUCTION CONFIRMED

Latest information available to the Foreign Agricultural Service confirms earlier forecasts of a near-record corn crop in 1961. The current estimate of 7,360 million bushels was exceeded only in 1960 when production was about 3 percent larger.

Reduced outturns in the United States and Eastern Europe account for the bulk of the decrease from the 1960 total. A considerably larger crop in the Soviet Union only partly offset reduced crops in other areas.

North America's corn production of 3,944 million bushels was down about 260 million bushels because of the sharp reduction in U.S. output. Record crops were reported for Mexico and Canada, the next largest producers of the area.

The U.S. production of corn harvested for grain is 3,624 million bushels, compared with 3,908 million in 1960. Yields were at a new high of 61.8 bushels per acre but acreage was the smallest harvested for the past 85 years. Reported acreage of 58.7 million acres contrasts with 97.2 million harvested for grain in 1932.

An outturn of 335 million bushels in Western Europe was only slightly below the record 1960 harvest. Increased production in Italy was more than offset by a smaller crop in France. Acreage was at a new high for Western Europe but yields were smaller than in 1960 mainly because of the sharp drop in France's yields.

Production in Eastern Europe was considerably smaller than the large crops of the past 2 seasons but was still well above average. Smaller production was reported for all countries but the drop was greatest in Yugoslavia where the outturn of 179 million bushels contrasts with 242 million a year

CORN: Acreage, yield per acre, and production in specified countries, year of harvest, average 1950-54, annual 1959-61 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/	Average 1950-54	1959	1960	1961 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	370	489	514	510	53.6	63.4	57.1	72.5	19,835	31,023	29,337	36,988
El Salvador	434	439	412	--	16.7	13.4	17.2	--	7,260	5,900	7,100	--
Guatemala	1,357	--	--	--	12.5	--	--	--	17,000	19,500	22,000	20,000
Honduras	719	--	--	--	11.6	--	--	--	8,325	10,500	11,500	--
Mexico	11,417	15,629	14,579	15,792	12.4	14.0	13.7	13.9	141,390	219,000	200,000	220,000
Nicaragua	308	319	324	--	15.2	11.9	14.2	--	4,675	3,800	4,600	--
United States 5/	70,870	72,091	71,649	58,691	39.4	53.1	54.5	61.8	2,792,703	3,824,598	3,908,070	3,624,313
Cuba	415	457	--	--	16.0	16.8	--	--	6,640	7,700	--	--
Estimated total 6/	86,810	92,930	91,470	79,650	34.7	44.5	45.9	49.5	3,012,000	4,136,000	4,203,000	3,944,000
Europe:												
Austria	156	114	144	127	34.8	50.3	58.2	61.4	5,426	5,730	8,385	7,800
France	894	1,740	2,036	2,385	29.5	41.3	54.4	41.0	26,394	71,800	110,700	97,900
Greece	630	513	520	491	15.5	22.3	21.8	24.0	9,754	11,440	11,330	11,780
Italy	3,316	3,150	3,150	3,300	33.8	48.6	47.7	47.0	112,232	153,000	150,100	155,100
Portugal	1,183	1,189	1,157	1,186	14.4	16.1	15.9	16.1	16,986	19,200	18,400	19,100
Spain	991	964	1,058	1,038	27.2	40.9	37.8	41.7	26,980	39,400	40,000	43,300
Estimated total Western Europe 6/	7,220	7,690	8,080	8,560	27.8	39.1	42.1	39.1	201,000	301,000	340,000	335,000
Albania	300	--	--	--	16.0	--	--	--	4,800	--	--	--
Bulgaria	1,780	1,818	1,853	1,945	15.4	26.1	25.0	21.3	27,500	47,500	46,400	41,500
Czechoslovakia	350	462	462	482	34.9	45.5	48.7	--	12,200	21,000	22,500	--
Hungary	2,830	3,356	3,462	3,414	30.5	41.7	39.9	32.2	86,200	140,000	138,000	110,000
Rumania	7,350	8,785	8,825	8,470	17.0	25.5	24.7	23.6	125,000	224,000	218,000	200,000
Yugoslavia	5,950	6,375	6,350	6,202	21.8	41.3	38.2	28.9	130,000	263,000	242,500	179,000
Estimated total Eastern Europe 6/	18,600	21,180	21,370	20,960	20.8	33.2	31.6	26.7	387,000	704,000	676,000	560,000
Estimated total all Europe 6/	25,820	28,870	29,450	29,520	22.8	34.8	34.5	30.3	588,000	1,005,000	1,016,000	895,000
U.S.S.R. (Europe and Asia) 7/	10,400	8,750	12,500	17,800	18.3	22.9	24.0	28.1	190,000	200,000	300,000	500,000
Asia:												
Turkey	1,581	1,730	1,717	1,630	19.9	18.2	17.2	17.2	31,402	31,500	29,500	28,000
China	--	--	--	--	--	--	--	--	410,000	--	--	--
India	8,745	10,706	10,758	11,000	11.4	15.0	14.6	14.6	99,892	160,200	156,600	161,000
Pakistan	1,013	1,117	1,207	1,191	15.8	15.6	14.6	16.4	16,016	17,400	17,600	19,500
Indonesia	5,210	5,658	6,500	6,670	13.8	14.6	15.1	14.3	72,000	82,400	98,000	95,700
Japan 7/	107	118	108	99	23.3	34.7	41.7	35.4	2,488	4,100	4,500	3,500
Philippines	2,764	4,560	5,054	5,060	10.3	10.1	9.4	9.6	28,384	46,000	47,600	48,400
Thailand	109	491	708	920	13.1	25.3	30.1	30.0	1,428	12,440	21,300	27,600
Estimated total 6/	42,600	50,760	52,960	53,990	16.7	17.2	16.4	15.8	710,000	875,000	870,000	855,000

Africa:												
Republic of the Congo 8/	1,092	1,185	--	--	13.5	19.4	--	--	14,768	23,000	--	--
Kenya 9/	425	--	--	--	28.2	--	--	--	12,000	13,000	--	--
Egypt	1,819	1,929	1,890	1,930	33.9	30.6	35.2	27.4	61,670	59,000	66,600	52,800
Morocco	1,248	1,000	1,005	1,000	7.8	13.5	15.7	7.1	9,724	13,500	15,750	7,100
Former French West Africa	1,733	--	--	--	9.8	--	--	--	16,975	--	--	--
Malagasy Republic	200	220	237	--	14.0	12.7	13.1	--	2,800	2,800	3,100	3,500
Angola	1,300	--	--	--	8.2	--	--	--	10,670	13,800	--	--
Federation of Rhodesia & Nyasaland	--	--	--	--	--	--	--	--	--	44,000	53,000	--
South Africa, Republic of	7,865	9,600	--	--	14.7	15.6	--	--	115,450	150,000	190,000	200,000
Estimated total 6/	25,670	29,210	29,650	29,680	15.2	16.3	17.9	17.2	390,000	475,000	530,000	510,000
South America:												
Argentina	4,833	6,000	6,781	--	24.8	29.2	29.5	--	120,098	175,000	190,000	210,000
Brazil	12,700	16,260	16,800	--	19.4	20.6	20.8	--	247,000	335,000	350,000	--
Chile	135	184	183	188	26.2	30.9	31.1	29.3	3,542	5,690	5,700	5,500
Colombia	1,800	1,606	1,767	1,757	17.1	17.2	19.2	16.5	30,800	27,600	34,000	29,000
Ecuador	344	500	517	560	10.0	12.4	12.2	12.7	3,440	6,200	6,300	--
Peru	636	626	642	--	19.2	21.2	21.5	--	12,186	13,300	13,800	14,600
Uruguay	643	660	683	667	10.7	5.0	12.6	12.6	6,902	3,300	8,600	8,400
Venezuela	700	693	984	--	18.4	19.0	17.6	--	12,850	13,200	17,300	14,000
Estimated total 6/	22,530	27,280	29,090	29,200	20.0	21.8	22.0	22.3	450,000	595,000	640,000	650,000
Oceania:												
Australia	173	186	185	207	27.2	34.9	34.1	31.4	4,710	6,500	6,300	6,500
New Zealand	5	7	8	9	62.0	57.1	62.5	80.0	310	400	500	720
Estimated total 6/	180	200	200	220	28.3	35.0	34.5	33.2	5,100	7,000	6,900	7,300
Estimated world total 6/	214,010	238,000	245,320	240,060	25.0	30.7	30.9	30.7	5,345,000	7,295,000	7,570,000	7,360,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which follow; thus, the crop harvested in the Northern Hemisphere in 1961 is combined with preliminary forecasts for the Southern Hemisphere harvest which began early in 1962. 2/ Figures refer to harvested area as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Revised estimates for Northern Hemisphere countries; for the Southern Hemisphere, revised preliminary forecasts. 5/ New series covering corn for grain only. Series previously carried was all corn, i.e. including silage, forage, etc. All corn for 1950-54 was 3,112 million bushels; 1959, 4,197 million and 1960, 4,304 million. 6/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 7/ Dried corn only. Previous published series included some immature corn. 8/ Includes Ruanda-Urundi. 9/ Production on European holdings only. Allowances for native cultivation, not shown, are included in estimated total for Africa.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research and related information.

earlier. Acreage was reduced moderately but yields were down 9.3 bushels per acre.

The Soviet Union's corn harvested as grain is estimated at 500 million bushels, considerably above the 1960 harvest of 300 million. Acreage rose from an average of 10.4 million acres during 1950-54 to 12.5 million in 1960 and 17.8 million in 1961. Yields of 28.1 bushels per acre are the largest on record.

Asia's total corn production of 855 million bushels is less than the large crops of the previous 3 years but is still well above average. Acreage was larger than in 1960 but yields were smaller.

Total production in Africa is estimated at 510 million bushels in 1961. This is considerably larger than the 1950-54 average of 390 million but is slightly below the 1960 outturn of 530 million. Acreage showed little change but yields were slightly smaller.

Corn production in South America is estimated at 650 million bushels, slightly larger than in 1960 because of a larger outturn in Argentina. The increase is attributed to a larger acreage although no official estimate of harvested acreage has yet been released.

Corn is of minor importance in Oceania. The 1961 total is estimated at 7.3 million bushels and shows a slight increase over the 1950-54 average of 5.1 million bushels and the 1960 total of 6.9 million.

FOREIGN AGRICULTURE CIRCULAR

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Foreign Agricultural Service Washington D.C.

GRAIN
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GRAIN SUPPORT PRICES GENERALLY HIGHER IN PRODUCING COUNTRIES IN 1961-62 1/

Nearly all important wheat countries have for years used government price support systems to control producer prices of wheat.

Two notable exceptions in 1961-62 were India and Uruguay, whose governments had supported such prices during various previous years. India has, however, reestablished supports for the 1962-63 crop. Some of the major wheat countries and certain other ones also maintain price supports on other grains.

There are 38 countries for which information on 1960-61 and 1961-62 producer support prices for wheat is available. For the years in question 15 countries increased supports, 7 lowered them and the remaining 16 made no changes. In the case of the producer support prices for rye, 5 were raised, 2 reduced, and 8 not changed. The situation is about the same for corn, barley and oats. The corresponding figures for these grains are: corn - 7, 2 and 3; barley - 8, 2 and 6; and oats - 3, 0 and 7.

The general trend in the world producer grain support prices therefore continued upward in 1961-62. The predominant objectives of the increases appear to be about the same in previous years, namely, to offset increases in costs of grain production and encourage expansion in domestic grain output. In exceptional cases, there were special objectives. For example, the main purpose of the 42 percent increase in Brazil's wheat support price from Cr. 1,100 per 60 kg. in 1960-61 to Cr. 1,560 per 60 kg. in 1961-62 was to offset a sharp devaluation of the Brazilian cruzeiro in December 1961.

1/ By Carl F. Wehrwein, Foreign Competition Branch, Grain and Feed Division

Table 1.--GRAINS: Support prices in specified countries, 1961-62

Country	Prices in local units 1/					
	Local units	Wheat	Rye	Corn	Barley	Oats
Algeria	New francs per metric ton	480	--	--	--	--
Argentina	Pesos per 100 kg.	430	240	327.5	242.5	242.5
Australia	S. and d. per bushel	15s. 9d.	--	--	--	--
Austria	Schillings per 100 kg.	251.8	232.6	--	--	--
Belgium	Belgian francs per 100 kg.	470	--	--	--	--
Brazil	Cruzeiros per 60 kg.	1,560	--	840.5	--	--
Canada	Canadian dollars per bushel	2/ 1.40	--	--	.96	.60
Chile	Pesos per 100 kg.	7,783.3	--	--	--	--
Colombia	Pesos per carga 3/	129	--	70	95	--
Costa Rica	Colones per Spanish quintal	--	--	21.3	--	--
Denmark	Kroners per 100 kg.	49	47	--	--	--
Ecuador	Sucres per Spanish quintal	99	--	--	--	--
Egypt	Egyptian pounds per ardeb	3.90	--	3.50	--	--
Finland	Finmarks per kg.	52.4	52.3	--	--	--
France	New francs per 100 kg.	40.65	32.52	34.85	31.2	--
Germany (West)	Marks per metric ton	436.1	396.1	--	417.8	312.5
Greece	Drachmas per kg.	2.7	--	--	--	--
Iran	Rials per kg.	6	--	--	--	--
Ireland	S. and d. per barrel 4/	70s. 3d.	--	--	38s.	--
Italy	Lire per 100 kg.	6,450	--	--	--	--
Japan	Yen per 60 kg.	2,404	--	--	2,318.3	--
Kenya	Shillings per 200 lbs.	46.90	--	--	5/ 20.00	6/ 14.50
Mexico	Pesos per metric ton	913	--	800	--	--
Morocco	Dirhams per 100 kg.	39	--	--	22	--
Netherlands	Guilders per 100 kg.	30.50	23.50	--	27.00	25.75
New Zealand	S. and d. per bushel	14s. 0d.	--	--	--	--
Nicaragua	Cordobas per fanega	--	--	55	--	--
Norway	Kroners per metric ton	1,000	930	--	730	640
Pakistan	Rupees per maund	13.50	--	--	--	--
Panama	Balboas per Spanish quintal	--	--	3.25	--	--
Portugal	Escudos per kg.	3	--	--	--	--
Rhodesia	S. and d. per 200 lb. bag	--	--	7/ 31s. 6d.	--	--
South Africa, Rep. of	Rands per 200 pounds	5.60	--	3.05	--	--
Spain	Pesetas per kg.	5.46	4.00	3.60	3.50	3.10
Sweden	Kroners per 100 kg.	45	42	--	33	33
Switzerland	Swiss francs per 100 kg.	65.4	57	--	--	--
Syria	Syrian pounds per metric ton	334.29	--	--	--	--
Tunisia	Dinars per 100 kg.	4.2	--	--	2.0	--
Turkey	Kurus per kg.	63	50	--	42.5	39
United Kingdom	S. and d. per cwt.(112 lbs.)	26s. 11d.	21s. 7d.	--	27s. 7d.	27s. 5d.
United States	U.S. dollars per bushel	1.79	1.02	1.20	.93	.62
Yugoslavia	Dinars per kg.	38	33	31	31	31

1/ Individual or average, fixed or target, base, floor or final prices for standard types and grades. The f.o.b. points vary. Some prices are subject to one or more deductions. Some are gradually increased by specified amounts during a designated period after harvest to offset farm storage costs. 2/ On March 1, 1962, the Canadian government increased the price to Canadian $1.50 per bu. (U.S. $1.39 per bu.), which was made retroactive to the beginning of the current marketing

Foreign Agricultural Service. Prepared on the basis of official statistics of foreign governments, other foreign source materials, reports of U.S. Agricultural Attaches and other Foreign Service Officers, results of office research and related materials.

GRAINS: Support prices in specified countries, 1961-62 (continued)

Country	Dollar per bushel equivalents 1/					
	Local units	Wheat	Rye	Corn	Barley	Oats
Algeria	New francs per metric ton	2.67	--	--	--	--
Argentina	Pesos per 100 kg.	1.16	.60	.82	.52	.35
Australia	S. and d. per bushel	1.76	--	--	--	--
Austria	Schillings per 100 kg.	2.65	2.29	--	--	--
Belgium	Belgian francs per 100 kg.	2.57	--	--	--	--
Brazil	Cruzeiros per 60 kg.	2.22	--	1.12	--	--
Canada	Canadian dollars per bushel	2/ 1.29	--	--	.89	.55
Chile	Pesos per 100 kg.	1.40	--	--	--	--
Colombia	Pesos per carga 3/	2.81	--	1.59	1.85	--
Costa Rica	Colones per Spanish quintal	--	--	1.79	--	--
Denmark	Kroners per 100 kg.	1.94	1.74	--	--	--
Ecuador	Sucres per Spanish quintal	2.52	--	--	--	--
Egypt	Egyptian pounds per ardeb	1.63	--	1.46	--	--
Finland	Finmarks per kg.	4.44	4.13	--	--	--
France	New francs per 100 kg.	2.26	1.69	1.81	1.39	--
Germany (West)	Marks per metric ton	2.97	2.52	--	2.27	1.13
Greece	Drachmas per kg.	2.45	--	--	--	--
Iran	Rials per kg.	2.17	--	--	--	--
Ireland	S. and d. per barrel 4/	2.12	--	--	1.14	--
Italy	Lire per 100 kg.	2.83	--	--	--	--
Japan	Yen per 60 kg.	3.01	--	--	2.32	--
Kenya	Shillings per 200 lbs.	1.97	--	--	.75	.43
Mexico	Pesos per metric ton	1.99	--	1.63	--	--
Morocco	Dirhams per 100 kg.	2.10	--	--	.95	--
Netherlands	Guilders per 100 kg.	2.31	1.66	--	1.64	1.04
New Zealand	S. and d. per bushel	1.95	--	--	--	--
Nicaragua	Cordobas per fanega	--	--	1.42	--	--
Norway	Kroners per metric ton	3.82	3.31	--	2.23	1.30
Pakistan	Rupees per maund	2.07	--	--	--	--
Panama	Balboas per Spanish quintal	--	--	1.82	--	--
Portugal	Escudos per kg.	2.86	--	--	--	--
Rhodesia	S. and d. per 200 lb. bag	--	--	7/ 1.24	--	--
South Africa, Rep. of	Rands per 200 pounds	2.35	--	1.20	--	--
Spain	Pesetas per kg.	2.47	1.69	1.52	1.27	.75
Sweden	Kroners per 100 kg.	2.38	2.07	--	1.40	.93
Switzerland	Swiss francs per 100 kg.	4.11	3.34	--	--	--
Syria	Syrian pounds per metric ton	4.15	--	--	--	--
Tunisia	Dinars per 100 kg.	2.72	--	--	1.04	--
Turkey	Kurus per kg.	1.90	1.41	--	1.03	.63
United Kingdom	S. and d. per cwt.(112 lbs.)	2.03	1.52	--	1.66	1.10
United States	U.S. dollars per bushel	1.79	1.02	1.20	.93	.62
Yugoslavia	Dinars per kg.	1.38	1.11	1.05	.90	.60

season, August 1, 1961. 3/ One carga wheat = 140 kg. (5.1 bu.), one carga barley = 125 kg. (5.7 bu.), one carga corn = 125 kg. (4.9 bu.). 4/ One barrel wheat = 280 lbs. (4.67 bu.), one barrel barley = 224 lbs. (4.67 bu.). 5/ Per 180 lbs. 6/ Per 150 lbs. 7/ This is the price for corn in 200 pound bags including the bags.

Direct comparisons of the support prices of any country with the corresponding prices of other countries, as listed in Table 1, is of very limited significance and, in fact, is misleading unless important related factors are considered. One common reason for the difference in prices is the variation in the general price level and in the costs of producing grains in the respective countries. Another factor is the varying importance different national governments attach to certain grains as compared with other grains.

Support prices also vary greatly in type. In the most frequently occurring situation, one or more prices are fixed for a marketing year for an equal number of classes or grades of grains, which prices remain in effect throughout the year. In 17 countries, the farmers have the option of selling grains either to the government, or to a quasi-government or other organization which buys on behalf of the government, at such fixed prices, or to private buyers at the same or other prices.

These countries include the United States. In this country the usual procedure is for a farmer to obtain loans from the government on the basis of the applicable support prices of grains pledged as collateral. Such loans are non-recourse loans; that is, if they are not repaid, the government takes title to the grain. They can, however, be redeemed by cash payments and in this case the borrower sells the grain to private buyers.

Other important countries in this group (which, however, do not use the loan procedure) are Italy, where farmers in 1961-62 were required to sell 800,000 metric tons of wheat to the government; Spain, where rye, corn, barley and oats are covered but wheat omitted; Sweden; Argentina and Japan. Countries, in addition to these 17, having the same general producer grain price support system are Denmark and Yugoslavia. However, farmers of those countries receive, in addition to support prices, specified premiums for storage on farms for designated periods.

In 10 other countries the farmers can sell grains at fixed, unchanging prices only to the government. These state trading nations include Spain (only in regard to wheat), France, Norway, the Republic of South Africa, Portugal, New Zealand and Switzerland. New Zealand and Portugal, however, also are countries in which farmers receive additional payments covering certain periods of farm storage. In 5 other countries the farmers sell grains at such support prices only to private buyers. These include Brazil. They also include Morocco insofar as soft wheat is concerned.

Two other important countries whose governments each marketing year fix producer grain support prices normally in effect throughout the year are Australia for wheat and Canada for wheat, barley and oats. In both countries the farmers are required to sell the grain to a government wheat board, and the support prices are the previously fixed prices which they are paid when they deliver grain for sale. However, in general, in the

case of each of these grains, if the wheat board makes a profit, the farmers receive additional payments. If, however, the wheat board should end the year with a deficit, the federal government supplies funds to enable the farmers to retain the full support prices.

Under another general type of government price support system for grains, a series of increasing producer prices is fixed for certain grains for each marketing year. These prices are normally not changed during the year. Austria has a system for wheat and rye under which farmers sell these grains at such prices only to private buyers. In Finland under the same system, the farmers sell wheat and rye at support prices both to the government and to the private trade. Chile limits the amount of wheat which the farmers can sell at fixed increasing prices to the government. They also may sell wheat to private buyers at any prices they are willing to accept. This country has a grain price support system only for wheat.

West Germany has this system for wheat and rye with an annual series of increasing producer price ranges for each grain for each of 4 areas into which the country is divided. Farmers sell these grains to private buyers at regular market prices when these prices in the four areas are at or above the respective minimums of the ranges. They can sell to the government at the current minimums when the respective regular market prices are below these levels.

Three similar ranges of increasing producer prices are fixed for 3 types of barley, only one annual range is fixed for each of 2 other types of barley and for 2 types of oats for the entire country, but the sale procedure is the same as in the case of wheat and rye. The government will sell these grains from its stocks at the appropriate maximums when the respective regular market prices rise above these levels.

The Netherlands fixes annual target producer prices for wheat, rye, barley and oats, and Belgium fixes annual increasing target producer prices for wheat only. These prices normally are not changed during the year. The farmers of both countries sell these grains only to private buyers at regular market prices. However, both countries hold the domestic market prices for wheat fairly close to the respective target levels by mixing regulations requiring flour millers to use specified proportions of domestic wheat in their grist, as well as by controlling wheat imports. The Netherlands also holds the domestic market prices of rye, barley and oats close to the respective target levels by import controls.

Still another type of producer grain price support system is that of the United Kingdom. This provides for deficiency payments by the government to the registered growers if the average prices which these farmers receive for wheat, rye, barley and oats from private buyers during a marketing period fall short of the respective government fixed "standard" or support prices.

For each marketing year the government fixes 5 gradually increasing standard prices for wheat, each applying to a different designated accounting period, and one standard price for each of the grains rye, barley and oats, applying to the entire year.

The prices which the United Kingdom registered growers receive from private buyers for wheat during each of these 5 accounting periods and those they receive for rye during the entire year are averaged. If an average should fall short of the corresponding standard price, each grower will receive a deficiency payment equal to the difference multiplied by the quantity of wheat or rye he marketed during the period or year.

For oats and barley, the shortfall, if any, is in each case converted to a per acre equivalent by multiplying it by the weighted average U.K. national yield of the grain during the preceding 5 years. For each of these grains every registered grower will receive a deficiency payment equal to the corresponding per acre equivalent multiplied by the number of acres he had in grain. The individual grower payments in the case of barley, however, were in 1961-62 subject to deductions for the respective quantities of barley sold during the first four months of the marketing year, and to premiums for the respective barley sales during (1) January and February and (2) the remainder of the year.

On each of the 2 parts of Table 1 there is space for only one price for each grain for each country. However, of the 97 prices listed, 36 are averages. Of these 36 averages, 17 are based on different classes, types or grades of the respective grains, 5 are based on an equal number of series of increasing prices, and 2 are combinations of these two types. Four are averages of the prices fixed for different locations in the respective countries. Three are averages of increasing prices fixed for different locations in the respective countries. Five are based on prices which differ for different classes, types or grades of 5 grains and for various parts of one country (see Table 2).

Of the 61 prices on Table 1 which are not averages, 12 are for various reasons designated base prices. These 12 include the 3 Canadian prices which are for Manitoba Northern No. 1 hard spring wheat, No. 2 Canada Western oats and No. 3 Canada Western 6-row barley. The Canadian government used these as bases for determining corresponding prices for 6 other grades of non-durum wheat, 5 other grades of oats and 12 other grades of barley. It also fixed such prices for 7 grades of Canada Western Amber Durum, but Canada's production of durum is less than 10 percent of its total wheat output.

The French wheat price is a base price, and it is for soft wheat. Another producer support price was fixed for durum but nearly all of France's production is soft wheat. Italy's wheat price, which is an average (see Table 2), is a base price for the same reason. The Moroccan and Tunisian prices for wheat also are base prices but are for durum. These countries fixed

Table 2.--GRAINS: Specified countries, types of average producer support prices listed on Table 1

Country	Types of average producer support prices and grains involved					
	(1) Based on classes, types or grades of grain	(2) Average of increasing prices	(3) Combination of (1) and (2)	(4) Average of prices at different locations	(5) Combination of (2) and (4)	(6) Combination of (1) and (4)
Argentina	Corn, oats, barley					
Austria		Rye	Wheat			
Belgium		Wheat				
Brazil	Corn					
Chile		Wheat				
Costa Rica	Corn					
Ecuador		Wheat				
Egypt	Wheat					
Finland		Wheat			Rye	
France	Barley					
Germany (West)	Oats		Barley		Wheat and rye	
Iran				Wheat		
Ireland	Wheat					
Italy				Wheat		
Japan	Barley					
Kenya	Wheat					
New Zealand				Wheat		
Panama				Corn		
South Africa, Republic of	Wheat					
Spain	Wheat					
Switzerland	Wheat					
Syria	Wheat					
Turkey	Barley					
United Kingdom		Wheat				
United States						Wheat, rye barley, oats, corn

producer support prices for soft wheat, but the bulk of their wheat production is durum.

Greece's wheat price is in this category because it is the price at which this country's farmers could deliver any quantity of soft wheat to the government collection pool. Higher support prices were fixed for specified maximum individual total wheat deliveries by small farmers who are within designated classes. The government fixed another price for durum but the bulk of this country's production is soft wheat. The following prices for specific classes of grains also are designated base prices, with other prices fixed for other classes: those for barley (average for two classes) and wheat for Japan, and those for corn (white) for Rhodesia and for wheat for Turkey.

Ireland's barley price, which is not included in these 12, is for feed barley. In that country, producer prices for brewing barley are fixed in private agreements between the growers and a large brewing firm.

There are other differences between the government grain programs of these countries, which make direct comparisons of their producer grain support prices very difficult. For many of the countries, definite information is not available regarding the f.o.b. points of the support prices, but in the countries for which this information is available, there is wide variation. For example, the United Kingdom and Netherlands support prices are "at farm" prices. In Britain the averages which are deducted from the respective standard or support prices to determine the deficiency payments, are the averages of the "at farm" regular market grain prices which the registered growers received.

The f.o.b. points of the Austrian and U.S. grain support prices are the farmers' regular delivery locations. The New Zealand and Finland prices are f.o.b. the farmers' nearest railroad siding or station. Australia's price for wheat is f.o.r. (on railroad terminus) the country's ocean ports, and Canada's prices are in store Fort William/Port Arthur on Lake Superior, or Vancouver on the Pacific Coast.

Information also is incomplete as to whether the farmers of these countries must deliver grain in bulk or in containers, in connection with price support operations. Perhaps the majority of countries accept deliveries in bulk. Exceptions are Rhodesia for corn, the Republic of South Africa for wheat and Kenya for barley and oats. In these countries these grains must be delivered in bags and the support prices include allowances for the bags.

Some countries with government purchase programs buy from the farmers only specified amounts of certain domestic grain crops, while others buy all the grains offered them by the farmers, at the respective support prices. The government of France in 1961-62 purchased from French producers at its wheat

support prices not quite 250 million bushels of that year's total domestic wheat production of 352 million bushels.

It bought additional 1961-62 crop domestic wheat offered by the farmers at the current average French export price minus handling charges. France also limits its government purchases of domestic barley and corn while Australia, Belgium, Chile, Iran and Mexico limit their government purchases of domestic wheat under their producer price support programs.

Finally, the farmers of certain countries, unlike those in others, receive for their grains prices somewhat lower than the respective support prices listed on Table 1, because the latter are subject to various deductions. The French prices shown on the table are reduced by 4 taxes in the case of wheat, including an export subsidy tax, and 3 in the case of barley and corn. Japanese farmers, in selling wheat and barley to the government, must pay specified inspection and packaging fees. The Portugese producer support price for wheat is subject to a deduction the proceeds of which are used in part to finance the premium paid Portugese farmers for storing their wheat on their farms.

Commissions charged by the government corn and wheat boards which buy wheat and corn from South African farmers, and a research fee are deducted from this country's producer support prices for these grains. Ireland's and Chile's wheat support prices also are subject to a deduction. Of course, virtually all specific producer grain support prices are increased or reduced in accordance with variations in delivered grain in quality from the standards prescribed for the respective grades.

The year-to-year increases or decreases in the producer grain support prices of the various countries and the reasons for such changes are much more significant and meaningful than inter-country comparisons of these prices.

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GRAIN
FG 11-62
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COMMON MARKET ADOPTS NEW GRAIN TRADE RULES 1/

Summary

On July 30 the European Economic Community 2/ put into force an entirely new system for controlling grain trade. Variable import levies were, at that time, substituted for all other forms of import duties in each member country.

When the levy system went into effect, all quantitative restrictions were to be removed simultaneously by each country. However, some exceptions were made on a temporary basis: Italy will retain state-trading of wheat for at least one year; Belgium will continue its wheat mixing regulation until December 31, 1962; and all EEC countries will continue to use quotas to regulate trade with Communist countries at least until December 31, 1962.

The EEC's new trading system might well have adverse effects on U.S. grain exports to the area. Much depends on the eventual uniform price level within the Community. France is the EEC's only surplus producer of grain and it has the lowest price level. If the uniform price level settles considerably above the present French support level a great stimulation in production could result. Furthermore, it is the EEC internal price level that determines the import levy; if the levy is high then import prices will also be high. These factors would work strongly against imports from outside the Community.

1/ Prepared by Kenneth L. Murray, Foreign Competition Branch, Grain and Feed Division.
2/ The EEC includes France, West Germany, Italy, Belgium, Netherlands, and Luxembourg.

The level of EEC protection against grain imports from non-member countries this year will be higher than it was last year. Effective duties on German and Dutch imports of feed grains will increase significantly. Also, wheat flour imports apparently will have a much higher duty in the Netherlands, our only important EEC flour market.

The variable levy system just adopted provides a means of equalizing import prices with internal prices in each EEC country, thereby providing full protection for domestic farmers. It also provides a mechanism through which grain markets in all the EEC countries can be unified -- the Community's goal for 1970.

First Step Taken Toward Uniform Price

Institution of the levy system was only the first step in the EEC's evolution toward a unified market for grain. A seven-year intermediary period lies ahead in which each EEC member country will apply a separate levy on imports from "third-countries," as well as a different levy on imports from each fellow member.

As prices in the member countries move toward a common level, the levies on intra-EEC trade will diminish; in 1970 there will be a single levy on third-country imports and no levies on intra-EEC trade. Prices in the EEC member countries are supposed to start moving toward a common level beginning with the 1963-64 season. An agreement regarding the 1963-64 prices must be reached by April 1963. However, a decision on the final uniform EEC grain price may not be reached for several years after that.

France has the lowest grain prices in the Community; its wheat support price is $2.33 per bushel this year. France is also the only EEC country with a potential for narrowing the area's import demand for grain. It is feared that if the uniform grain support price settles at a high level, say near the West German support price (wheat at $3.00 per bushel), there will be a great stimulation of French grain production with adverse effects on third-country exports to the EEC.

How the Levy System Works

In brief, the variable levy system works as follows: Each country has announced target prices for their internal wholesale markets, taking into account the level of the producer price which is desired. Threshold prices for imported grain have been derived from these target prices. The threshold price is the target price minus the freight and marketing costs involved in moving the imported grain from the port of entry to the target price area. The target prices, hence the threshold prices, increase as the marketing season progresses to allow for interest, storage, and other costs.

The levy on intra-Community trade is not calculated in the same manner as that for imports from outside the EEC. Outside suppliers get world prices while member-country exporters get their own internal prices. Since EEC internal prices are far above world prices, the levy on imports from third-countries, as the United States, is much larger than that collected on imports from member countries. But it has the same equalizing effects; in both cases, import prices are brought to the level of the importer's domestic target prices.

The import levy equals the difference between the threshold price and the import price. For imports from outside the EEC it is calculated as follows: (1) the threshold price minus (2) the most favorable price on the world market (adjusted for the quality difference described below), equals (3) the variable import levy.

To give an advantage to intra-Community trade, an extra $1 per metric ton is added to levies on imports from countries outside the EEC.

For imports from the EEC the levy equals the difference between the importing member's threshold price and the exporting member's export price, which is determined by the EEC Commission. Member export prices are fixed on the basis of the prices ruling in the most representative market in the exporting country; these prices are, therefore, at least equal to the exporting member's support price.

The levy on imports from outside the EEC varies with fluctuations in world market prices. To assist in determining the most favorable world market price, the EEC Commission has set quality differentials for the various types of grain traded on the international market. The object of these quality differentials is to put all grain types on an even price basis with the standard EEC quality. A standard quality has been set by the Commission for each grain.

In the case of wheat, the EEC standard quality is below the quality of most of the wheat traded in the world market. Soft Red Winter, for example, is considered by the EEC Commission to be valued at $3.75 per ton above the EEC standard quality.

To adjust Soft Red Winter to the EEC standard, $3.75 per ton is subtracted from its c.i.f. European port price.

The "adjusted" c.i.f. price used in setting the levy is the lowest figure derived from subtracting the quality differentials from the c.i.f. price for each type of wheat on the world market. An example of how this adjusted figure is determined is as follows:

Type	C.i.f. price	Quality differential	Adjusted c.i.f. price
	- - - - Dollars per metric ton - - - -		
Soft Red Winter	64.00	3.75	60.25
Hard Red Winter I and II (without protein guarantee)	67.00	9.00	(58.00)
Hard Red Winter I and II (14% protein guarantee)	72.50	12.00	60.50
Manitoba I	76.00	12.50	63.50
Manitoba III	72.00	10.50	61.50
Rosafe (Argentina)	69.00	9.00	60.00
Type 431 (Russian)	70.00	9.00	61.00

In the example above, Hard Red Winter I and II (without protein guarantee) had the lowest adjusted c.i.f. price ($58.00); this price would, therefore, be subtracted from the threshold price on that given day to determine the levy. Suppose that on the next day the price of Soft Red Winter dropped to $61.00 per ton while the prices of the other types remained constant. Soft Red Winter would then have the lowest adjusted c.i.f. price($57.25) and would be used to determine the levy on that day.

The adjusted c.i.f. prices used in determining the levies are slightly different for each EEC country since they are based on the c.i.f. prices ruling in each country. In the Netherlands, for example, they are based on c.i.f. prices in Rotterdam.

Since the levy applied by each member country is the same for all types and qualities of wheat imported from outside the EEC, the price spread that exists in the world market is retained in the import prices.

The levies for feed grains are calculated in the same manner as those for wheat. However, the EEC standard quality for the feed grains, in contrast to that for wheat, is higher than that for most types of barley, corn, sorghums, and oats traded on the world market. Hence the quality differentials used in determining "adjusted" c.i.f. prices for feed grains are, in most cases, added to the c.i.f. prices. This will tend to make levies on feed grain imports relatively smaller than those in effect for wheat.

Wheat flour and corn for starch manufacture will also be under a variable import levy system. In the past, these items have been subject to relatively small duties in our important EEC markets. In the Netherlands, our only important EEC flour market, the duty prior to the CAP equalled $18.04 per ton. The variable levy on August 4 was $66.74 per ton; a rebate of $23.63 was allowed leaving an effective levy of $43.11 per ton. It is believed that if this exorbitant levy is retained imports of wheat flour into the Netherlands will be lowered drastically.

EEC imports of corn for starch manufacture reportedly have averaged 1 million tons per year. In the past these imports were subject to low duties, from 2 to 3 percent ad valorem. Now corn for starch manufacture is subject to the same levies as other corn, e.g. in West Germany $55.20 per on. However, consumer subsidies in the form of rebates to starch manufacturers apparently will be used by the EEC country governments to offset part of the increased cost of these imports.

Most Quantitative Trade Restrictions Removed

All the numerous types of quantitative trade restrictions were to be removed on July 30 as the variable levy system took effect. As mentioned above, three temporary exceptions to this rule have been granted: Italy has been allowed an extension of one year during which it can continue its state trading of wheat; Belgium can retain its wheat mixing regulation until December 31, 1962; and all EEC countries will continue to use quotas in order to regulate trade with the Communist Bloc at least until December 31, 1962. A final decision as to how trade with Communist countries is to be regulated will be made by October 30, 1962.

The quantitative restrictions that have been removed include (1) wheat mixing regulations in West Germany and the Netherlands, (2) state trading in France and West Germany, (3) the Italian limitation on grain sorghums imports to 100-ton lots, and (4) seasonal restrictions on Italian feed grain imports from dollar sources.

The removal of these restrictions will offset some of the adverse effects of the higher import prices resulting from the implementation of the variable levy system.

It is not clear, however, if and when the EEC countries will abandon their bilateral trade agreements. These bilaterals are dominant factors in the feed grain trade of Italy and of great importance in West Germany. Italy's bilaterals with Argentina and the Communist Bloc countries greatly restrict U.S. export possibilities in the important Italian market.

Variable Levy System vs. Former Trade Restrictions

To visualize the immediate effect of the levy system on trade with outside countries, it is useful to examine the situation on a country-by-country basis.

West Germany: West Germany has had a variable levy system for a number of years. But as a result of the EEC's Common Agricultural Policy (CAP), the levies effective on West German imports have increased. The West German Government has decided, however, to subsidize flour prices, thereby reducing the effective rate of the levy, so that consumer prices do not rise. How this subsidy will work and how large it will be has not yet been announced.

Also, West Germany had abolished its wheat mixing regulation with the coming into force of the CAP.

The levies on feed grains that became effective on July 30 represent a great increase over those imposed prior to the CAP. The levy on barley rose from \$36 per ton to \$49.40; the levy on corn went from \$46 to \$55. Clearly, these levies are excessive and will discourage expansion of imports.

The following table gives an estimate of wheat and barley price relationships effective in West Germany before and after the CAP went into effect:

Item	Wheat	Barley
	- Dollars per metric ton -	
Target price	118.20	106.63
Less freight to port	.88	.88
Adjustment to EEC quality standard	2.68	0
Threshold price for intra-EEC trade	120.00	105.75
Plus preferential addition	1.00	1.00
Threshold price for imports from outside EEC	121.00	106.75
Adjusted c.i.f. price (Emmerich)	59.75	57.35
Actual c.i.f. price 1/	67.00	58.00
Levy on August 1, 1962	61.25	49.40
Estimated import price, August 1, 1962 1/ (\$67.00 plus \$61.25 for wheat)	128.25	103.77
Levy etc. effective prior to CAP	2/ 45.00	36.00
Intervention price, August 1962	110.63	95.88
Support price last year 3/	107.13	90.00

1/ Wheat prices are for Hard Red Winter #2; barley prices are for U.S. Western #2.
2/ A wheat mixing regulation of 75 domestic to 25 foreign was also in effect.
3/ Last year's support prices are not fully comparable with this season's intervention prices for two reasons: (1) the support price is an average for the entire country while the intervention price listed applies only in West Germany's largest grain deficit area; intervention prices at other points in the country are lower according to freight costs; (2) producer prices in West Germany will probably tend toward the target price level due to the pressure of import prices.

France: Variable import levies are new to the grain trade policy of France. The French have tightly restricted grain imports through state trading. All grain trade has been conducted for the account of the French Cereals Office, the only importer and exporter.

With the institution of the variable import system on July 30, state trading was abolished in France. Although the grain import levies that have gone into effect in France are high, they will not be as restrictive a device as was the government's state trading monopoly. France is not, however, a regular importer of grain; in most years it has a large export surplus, mainly soft wheat. The new levy system, then, is not expected to lead to an increase in French imports.

The following table gives an estimate of the grain price relationships existing before and since the adoption of the CAP:

Item	Wheat	Barley
	- Dollars per metric ton -	
Target price	97.90	79.56
Less freight to port (estimate)	1.00	1.00
Threshold price for intra-EEC trade	96.90	78.56
Plus preferential addition	1.00	1.00
Threshold price for imports from outside EEC	97.90	79.56
Adjusted c.i.f. price (Marseilles)	59.20	56.80
Actual c.i.f. price 1/	67.00	58.00
Levy effective on August 1, 1962 (estimated)	38.70	22.76
Estimated import price, August 1, 1962 1/ ($67.00 plus $38.70 for wheat)	105.70	80.76
Levy etc. effective prior to CAP	2/	2/
Intervention price	85.60	68.36
Support price last year	82.95	65.91

1/ Wheat prices are for Hard Red Winter #2; barley prices are for U.S. Western #2.
2/ State trading.

Italy: Variable import levies are also new to Italy. In the past the Italian government has restricted wheat imports through state trading, while feed grain imports have been subject to quantitative restrictions plus low tariffs.

The Italians have been granted permission to continue state trading operations for wheat for the 1962-63 season and may be granted an additional year's extension. The high variable levies in effect will, of course, add to the already tight restriction of Italian wheat imports.

While the Italians have pursued a high support price policy for wheat, feed grain prices have had no supports. Small duties have been applicable to feed grain imports. On the other hand, feed grain imports from dollar sources have been restricted to only 6 months out of the year. Grain sorghums imports have been limited to 100 ton lots. Also, trade discrimination in feed grains was practiced by the Italian government through its bilateral agreements, notably with Argentina and the Communist Bloc. On July 30, Italy announced the removal of the 6-month ban on feed grain imports and the limit on sorghums. Some improvement is expected in our competitive position in the Italian feed grain market as a result of the removal of these quantitative restrictions. It may be some time, however, before Italy abandons its bilateral agreements.

The levies on Italian feed grain imports are moderate except in the case of grain sorghums. They are considerably below feed grain levies in other members of the Community. The levies reported effective on July 30 (per ton) were as follows: corn $8.85, barley $7.15, oats $7.20, and grain sorghums $21.93. The ad valorem duties in effect prior to July 30 were 10 percent for barley and oats, 4 percent for yellow corn, 9 percent for white corn, and 9.4 percent for grain sorghums.

Below is an estimate of the wheat and barley price relationships effective in Italy before and after the CAP went into operation on July 30:

Item	Wheat	Barley
	- Dollars per metric ton -	
Target price	113.25	n.a.
Less freight to port	3.95	n.a.
Threshold price for intra-EEC trade	109.30	62.00
Plus preferential addition	1.00	1.00
Threshold price for imports from outside EEC	110.30	63.00
Adjusted c.i.f. price (Naples)	59.20	55.85
Actual c.i.f. price 1/	67.00	58.00
Levy on August 1, 1962	51.10	7.15
Estimated import price, August 1, 1962 1/ ($67.00 plus $51.10 for wheat)	118.10	65.15
Levy etc. effective prior to CAP	2/	3/
Intervention price August, 1962	107.87	n.a.
Support price last year	103.91	none

1/ Wheat prices are for Hard Red Winter #2; barley prices are for U.S. Western #2. 2/ State trading. 3/ Ad valorem duty of 10 percent plus seasonal restriction on imports from dollar sources.

Belgium: The Belgians have used levies on feed grain imports for a number of years; wheat imports on the other hand, have been restricted by a mixing regulation.

Belgium has been granted permission to continue its mixing regulation of 70 domestic to 30 foreign grain until December 31, 1962. When this restriction is removed the relatively high import levy under the CAP could produce the same effect of limiting expansion of wheat imports. It has been reported, however, that the Belgian government has decided to subsidize wheat import prices through rebates to millers.

Import levies on feed grain have been used by the Belgian government to indirectly support domestic feed grain prices; they have been altered primarily according to the import demand. Under the CAP, the variable levies now effective for Belgian imports of feed grains are above the levies that existed before the establishment of the CAP July 30, but they have been much higher during most of the past couple of years. In October 1961, for example, the levies were as follows: barley $39.00 per ton; corn and grain sorghums $32.00 per ton.

The following table gives an estimate of wheat and barley price relationships in Belgium before and after the CAP went into effect:

Item	Wheat	Barley
	- Dollars per metric ton -	
Target price	96.40	77.12
Less freight to port	0	0
Threshold price for intra-EEC trade	96.40	77.12
Plus preferential addition	1.00	1.00
Threshold price for imports from outside EEC	97.40	78.12
Adjusted c.i.f. price (Anvers)	58.65	56.25
Actual c.i.f. price 1/	67.00	58.00
Levy on August 1, 1962 (estimated)	2/ 38.75	21.87
Estimated import price August 1, 1962 1/ ($67.00 plus $38.75 for wheat)	105.75	79.87
Levy, etc. effective prior to CAP	3/	16.07
Intervention price 4/	91.60	73.28
Support price last year	94.00	75.20

1/ Wheat price is for Hard Red Winter #2; barley price is for U.S. Western #2.
2/ A portion of the levy will be rebated to millers but the amount has not yet been announced; mixing regulation of 70 domestic to 30 foreign will be retained until December 31, 1962.
3/ Mixing regulation.
4/ The effective support price will be about the same as it was last year since prices will tend toward the target price level because Belgium is a net importer of grain.

Netherlands: The Netherlands, as Belgium, has been applying levies to feed grain imports. A mixing regulation plus a small levy has been used to restrict wheat imports.

The wheat mixing regulation was abolished when the variable import levies came into effect. The Netherlands government will rebate 13/15 of the wheat levy to millers thereby offsetting most of its effect on prices of imported wheat. Thus, the price of imported wheat will not rise much this first year.

The import levy on feed grains has increased rather sharply under the CAP. The higher import prices which now exist for feed grains could retard expansion of feed grain consumption, thus slowing the rise in feed grain imports.

The following table gives an estimate of the wheat and barley price relationships effective before and after the adoption of the CAP:

Item	Wheat	Barley
	- Dollars per metric ton -	
Target price	92.44	77.90
Less freight to port	1.00	1.00
Threshold price for intra-EEC trade	91.44	76.93
Plus preferential addition	1.00	1.00
Threshold price for imports from outside EEC	92.44	77.93
Adjusted c.i.f. price	58.65	56.25
Actual c.i.f. price 1/	67.00	58.00
Levy on August 1, 1962 (estimated)	2/ 33.79	21.68
Estimated import price, August 1, 1962 1/ ($67.00 plus $33.79 for wheat)	100.79	79.68
Levy, etc. effective prior to CAP	3/ 3.19	13.91
Intervention price 4/	88.00	74.00
Support price last year	84.73	75.00

1/ Wheat price is for Hard Red Winter #2; barley price is for U.S. Western #2.
2/ 13/15 of this will be rebated to millers during 1962-63.
3/ A mixing regulation of 40 domestic to 60 foreign was in effect.
4/ The effective support price will be higher than this indicates since Netherlands is a net importer of grain and import prices will put upward pressure on domestic prices.

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Growth Through Agricultural Progress

FOREIGN AGRICULTURE CIRCULAR

U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service Washington D.C.

GRAIN
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October 1962

JULY 1 GRAIN STOCKS REDUCED

Stocks of grain in the four principal exporting countries on July 1, 1962, were 15 percent below the total a year earlier, according to preliminary estimates of the Foreign Agricultural Service. This is the first reversal of the upward trend in grain stocks since 1952.

An estimated total of 144 million short tons of wheat, rye, barley, oats, and corn for the current season is 26 million less than on July 1, 1961. Supplies are reduced in each of the four countries and all of the grains contributed to the decline.

In addition to the five grains under consideration here, U.S. stocks of grain sorghum add another 21 million tons to total grain stocks in this country on July 1. This is about the same as on July 1, 1961. Sorghum has been of minor importance in the other exporting countries, but production is being expanded in Argentina and it is becoming more significant there.

Although grain stocks are smaller, they are still much above average, and large surpluses are still available for export. Import requirements in the 1962-63 season are expected to be somewhat below the 1961-62 level because of record wheat crops being harvested in Western Europe and parts of Asia.

Canada's grain supplies for 1962-63 will be greater than last year, because of larger harvests. Wheat supplies are up moderately and supplies of oats are 38 percent larger than the small stocks at the beginning of the 1961-62 marketing year. U.S. grain supplies show a greater reduction than stocks, since production is smaller.

U.S. wheat supplies are about 7 million short tons smaller than a year ago and corn supplies for the corn marketing year beginning October 1, are expected to be down about 4 million tons. Australia expects a record crop and will continue active in the export market.

GRAINS: Estimated stocks in principal exporting countries, July 1, 1945-1962

Country and year	Wheat	Rye	Barley	Oats 1/	Corn	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	1,000 short tons
United States:						
Average 1945-49	193	6	72	254	742	32,526
Average 1950-54	524	8	74	249	1,256	56,872
1955	1,036	16	131	303	1,601	84,348
1956	1,033	17	117	346	1,740	88,530
1957	909	7	127	240	1,965	89,374
1958	881	10	168	324	2,091	94,474
1959	1,295	13	196	366	2,188	111,038
1960	1,314	10	167	267	2,522	118,596
1961	1,411	14	153	325	2,816	130,442
1962 2/	1,304	8	122	276	2,487	116,324
Canada:						
Average 1945-49	155	4	41	100	3/	7,446
Average 1950-54	345	14	100	135	3/	15,437
1955	570	22	110	110	3/	22,226
1956	620	20	130	150	3/	24,830
1957	765	15	160	260	3/	31,630
1958	675	13	140	190	3/	27,204
1959	580	10	145	150	3/	23,710
1960	565	9	135	125	3/	22,567
1961	4/ 645	8	130	150	3/	25,244
1962 2/	4/ 430	4	75	115	3/	16,767
Argentina:						
Average 1945-49	134	11	26	40	187	10,828
Average 1950-54	107	16	21	39	91	7,334
1955	165	10	25	25	85	8,610
1956	130	25	30	35	125	9,380
1957	160	25	30	50	95	9,680
1958	175	16	25	35	190	12,178
1959	160	20	25	30	200	12,040
1960	140	20	22	23	140	9,576
1961	100	10	20	40	140	8,320
1962 2/	70	10	15	20	145	7,120
Australia:						
Average 1945-49	75	3/	6	13	3/	2,602
Average 1950-54	110	3/	9	20	3/	3,836
1955	160	3/	6	32	3/	5,456
1956	183	3/	14	50	3/	6,626
1957	115	3/	20	32	3/	4,442
1958	70	3/	14	12	3/	2,628
1959	135	3/	30	75	3/	5,970
1960	145	3/	12	45	3/	5,358
1961	150	3/	25	40	3/	5,740
1962 2/	100	3/	15	25	3/	3,760
Total:						
Average 1945-49	557	21	145	407	929	53,402
Average 1950-54	1,086	38	204	443	1,347	83,479
1955	1,931	48	272	470	1,686	120,640
1956	1,966	62	291	581	1,865	129,366
1957	1,949	47	337	582	2,060	135,126
1958	1,801	39	347	561	2,281	136,484
1959	2,170	43	396	621	2,388	152,758
1960	2,164	39	336	460	2,662	156,097
1961	2,306	32	328	555	2,956	169,746
1962 2/	1,904	22	227	436	2,632	143,971

1/ Canadian oats in bushels of 34 pounds; data for other countries in bushels of 32 pounds. 2/ Preliminary estimates. 3/ Production small and remaining stocks believed negligible. 4/ Revised data. Not comparable with earlier estimates which Canadians will revise back to 1957.

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Other wheat exporting countries will have larger surpluses than they had last year. A record crop in France may be expected to supply some 2.5 million tons for export. Syria also has a record crop after several virtual crop failures and will be exporting again; reports indicate about 500,000 tons for export. Spain's good crop may mean small net exports from that country. Italy, Sweden, and Morocco will also have moderate availabilities though Italy's exports of soft wheat may be offset by requirements for durum imports.

A regional breakdown of July 1 stocks shows the United States total of 116 million short tons, accounting for 81 percent of the total for the four countries. Corn made the greatest decline with a 12 percent drop below the record holdings of a year ago. Wheat stocks were 8 percent less than record carryover stocks in 1961 but were 51 percent above the 10-year average ended 1960. Wheat owned by the government accounted for more than 80 percent of total stocks. Supplies of sorghum for 1962-63 are almost as large as the 1.2 billion bushels for 1961-62.

Canada's grain stocks on July 1 are estimated at about 17 million tons, sharply below the 1961 stocks. The present low level reflects the small 1961 production and maintenance of exports at a high level. Wheat shows the greatest reduction with 1962 stocks of 430 million bushels contrasting with 645 million a year ago. If the present crop forecast is achieved, supplies for 1962-63 will be about 930 million bushels despite the reduced stocks.

Grain stocks in the 2 Southern Hemisphere exporting countries on July 1 are in a different category from those in North America. In Southern Hemisphere countries these are mid-season supplies which must cover all needs to the end of the current crop season and for carryover. Thus, stocks of small grains in Argentina and Australia are for consumption or export up to December 1 and corn to April 1 of the following year, the beginning of the new season. In contrast, July 1 stocks in North America approximate the year-end carryover of small grains. Stocks represent actual carryover into the new season in the United States, while in Canada the marketing season starts August 1. For corn, the U.S. marketing season begins October 1.

July 1 grain stocks in Argentina are estimated at 7.1 million tons, compared with 8.3 million a year ago. These are the smallest stocks since 1952 and are considerably below average. Most of the surplus has already been exported.

Australia's grain stocks estimated at 3.8 million tons are about 2 million tons less than on July 1, 1961. Heavy exporting has reduced stocks and carryover on December 1, 1962, is expected to be even smaller than the small stocks at the beginning of the 1961-62 season.

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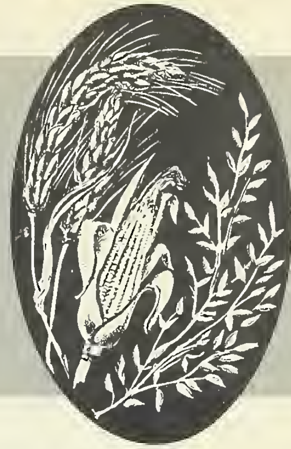

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JULY 1 GRAIN STOCKS REDUCED

Stocks of grain in the four principal exporting countries on July 1, 1962, were 15 percent below the total a year earlier, according to preliminary estimates of the Foreign Agricultural Service. This is the first reversal of the upward trend in grain stocks since 1952.

An estimated total of 144 million short tons of wheat, rye, barley, oats, and corn for the current season is 26 million less than on July 1, 1961. Supplies are reduced in each of the four countries and all of the grains contributed to the decline.

In addition to the five grains under consideration here, U.S. stocks of grain sorghum add another 21 million tons to total grain stocks in this country on July 1. This is about the same as on July 1, 1961. Sorghum has been of minor importance in the other exporting countries, but production is being expanded in Argentina and it is becoming more significant there.

Although grain stocks are smaller, they are still much above average, and large surpluses are still available for export. Import requirements in the 1962-63 season are expected to be somewhat below the 1961-62 level because of record wheat crops being harvested in Western Europe and parts of Asia.

Canada's grain supplies for 1962-63 will be greater than last year, because of larger harvests. Wheat supplies are up moderately and supplies of oats are 38 percent larger than the small stocks at the beginning of the 1961-62 marketing year. U.S. grain supplies show a greater reduction than stocks, since production is smaller.

U.S. wheat supplies are about 7 million short tons smaller than a year ago and corn supplies for the corn marketing year beginning October 1, are expected to be down about 4 million tons. Australia expects a record crop and will continue active in the export market.

GRAINS: Estimated stocks in principal exporting countries, July 1, 1945-1962

Country and year	Wheat	Rye	Barley	Oats 1/	Corn	Total
	Million bushels	Million bushels	Million bushels	Million bushels	Million bushels	1,000 short tons
United States:						
Average 1945-49	193	6	72	254	742	32,526
Average 1950-54	524	8	74	249	1,256	56,872
1955	1,036	16	131	303	1,601	84,348
1956	1,033	17	117	346	1,740	88,530
1957	909	7	127	240	1,965	89,374
1958	881	10	168	324	2,091	94,474
1959	1,295	13	196	366	2,188	111,038
1960	1,314	10	167	267	2,522	118,596
1961	1,411	14	153	325	2,816	130,442
1962 2/	1,304	8	122	276	2,487	116,324
Canada:						
Average 1945-49	155	4	41	100	3/	7,446
Average 1950-54	345	14	100	135	3/	15,437
1955	570	22	110	110	3/	22,226
1956	620	20	130	150	3/	24,830
1957	765	15	160	260	3/	31,630
1958	675	13	140	190	3/	27,204
1959	580	10	145	150	3/	23,710
1960	565	9	135	125	3/	22,567
1961	4/ 645	8	130	150	3/	25,244
1962 2/	4/ 430	4	75	115	3/	16,767
Argentina:						
Average 1945-49	134	11	26	40	187	10,828
Average 1950-54	107	16	21	39	91	7,334
1955	165	10	25	25	85	8,610
1956	130	25	30	35	125	9,380
1957	160	25	30	50	95	9,680
1958	175	16	25	35	190	12,178
1959	160	20	25	30	200	12,040
1960	140	20	22	23	140	9,576
1961	100	10	20	40	140	8,320
1962 2/	70	10	15	20	145	7,120
Australia:						
Average 1945-49	75	3/	6	13	3/	2,602
Average 1950-54	110	3/	9	20	3/	3,836
1955	160	3/	6	32	3/	5,456
1956	183	3/	14	50	3/	6,626
1957	115	3/	20	32	3/	4,442
1958	70	3/	14	12	3/	2,628
1959	135	3/	30	75	3/	5,970
1960	145	3/	12	45	3/	5,358
1961	150	3/	25	40	3/	5,740
1962 2/	100	3/	15	25	3/	3,760
Total:						
Average 1945-49	557	21	145	407	929	53,402
Average 1950-54	1,086	38	204	443	1,347	83,479
1955	1,931	48	272	470	1,686	120,640
1956	1,966	62	291	581	1,865	129,366
1957	1,949	47	337	582	2,060	135,126
1958	1,801	39	347	561	2,281	136,484
1959	2,170	43	396	621	2,388	152,758
1960	2,164	39	336	460	2,662	156,097
1961	2,306	32	328	555	2,956	169,746
1962 2/	1,904	22	227	436	2,632	143,971

1/ Canadian oats in bushels of 34 pounds; data for other countries in bushels of 32 pounds. 2/ Preliminary estimates. 3/ Production small and remaining stocks believed negligible. 4/ Revised data. Not comparable with earlier estimates which Canadians will revise back to 1957.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service officers, results of office research, and related information

Other wheat exporting countries will have larger surpluses than they had last year. A record crop in France may be expected to supply some 2.5 million tons for export. Syria also has a record crop after several virtual crop failures and will be exporting again; reports indicate about 500,000 tons for export. Spain's good crop may mean small net exports from that country. Italy, Sweden, and Morocco will also have moderate availabilities though Italy's exports of soft wheat may be offset by requirements for durum imports.

A regional breakdown of July 1 stocks shows the United States total of 116 million short tons, accounting for 81 percent of the total for the four countries. Corn made the greatest decline with a 12 percent drop below the record holdings of a year ago. Wheat stocks were 8 percent less than record carryover stocks in 1961 but were 51 percent above the 10-year average ended 1960. Wheat owned by the government accounted for more than 80 percent of total stocks. Supplies of sorghum for 1962-63 are almost as large as the 1.2 billion bushels for 1961-62.

Canada's grain stocks on July 1 are estimated at about 17 million tons, sharply below the 1961 stocks. The present low level reflects the small 1961 production and maintenance of exports at a high level. Wheat shows the greatest reduction with 1962 stocks of 430 million bushels contrasting with 645 million a year ago. If the present crop forecast is achieved, supplies for 1962-63 will be about 930 million bushels despite the reduced stocks.

Grain stocks in the 2 Southern Hemisphere exporting countries on July 1 are in a different category from those in North America. In Southern Hemisphere countries these are mid-season supplies which must cover all needs to the end of the current crop season and for carryover. Thus, stocks of small grains in Argentina and Australia are for consumption or export up to December 1 and corn to April 1 of the following year, the beginning of the new season. In contrast, July 1 stocks in North America approximate the year-end carryover of small grains. Stocks represent actual carryover into the new season in the United States, while in Canada the marketing season starts August 1. For corn, the U.S. marketing season begins October 1.

July 1 grain stocks in Argentina are estimated at 7.1 million tons, compared with 8.3 million a year ago. These are the smallest stocks since 1952 and are considerably below average. Most of the surplus has already been exported.

Australia's grain stocks estimated at 3.8 million tons are about 2 million tons less than on July 1, 1961. Heavy exporting has reduced stocks and carryover on December 1, 1962, is expected to be even smaller than the small stocks at the beginning of the 1961-62 season.

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GRAIN
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NEAR RECORD 1962 WORLD BREAD GRAIN CROP FORECAST

World bread grain production in 1962 is expected to be the second largest recorded, according to preliminary estimates of the Foreign Agricultural Service.

Production of wheat and rye is forecast at 290 million short tons; this has been exceeded only in 1958 when the total was 4 percent larger. Present forecasts are tentative and subject to change as later estimates become available for Northern Hemisphere countries and as the crops develop in the Southern Hemisphere, where harvests begin in November. Thus, growing conditions up to early December will play an important part in determining the final outturn in Argentina and Australia, the leading producers in the Southern Hemisphere.

World wheat production is forecast at 8.4 billion bushels, about 7 percent above the 1961 crop and exceeded only in 1958 when a total of 8.7 billion bushels is estimated. World rye is tentatively estimated at 1.35 billion bushels, slightly above the 1961 total of 1.34 billion. Increases in North America and Western Europe more than offset estimated reductions in Eastern Europe.

Total wheat supplies in North America for the current marketing season are large but about 200 million bushels less than in 1961-62 because of reduced supplies in the United States. Supplies in this country, although still large, are the smallest since 1958. Both production and carryover stocks are somewhat smaller than a year ago. Canada's supply is slightly larger than the supply a year ago, with larger production more than offsetting greatly reduced carryover stocks.

Import markets in Western Europe and Asia are expected to have smaller wheat requirements than last season. A record crop in Western Europe seems likely to reduce imports there to the quantity of strong wheat required to blend with the weaker indigenous wheat. Record or near-record

WHEAT: Acreage, yield per acre, and production in specified countries, year of harvest, average 1955-59, annual 1960-62 1/

Continent and country	Acreage 2/ Average 1955-59	Acreage 1960	Acreage 1961	Acreage 1962 4/	Yield per acre 3/ Average 1955-59	Yield 1960	Yield 1961	Yield 1962 4/	Production Average 1955-59	Production 1960	Production 1961	Production 1962 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	22,104	23,198	25,316	26,893	20.5	21.1	11.2	19.7	452,595	489,624	283,394	530,654
Mexico	2,214	1,853	2,100	2,160	20.6	26.8	24.0	23.8	45,595	49,600	50,400	51,400
United States	49,128	51,896	51,620	44,059	22.3	26.2	23.9	24.9	1,095,357	1,357,272	1,234,705	1,096,476
Estimated total 5/	73,530	77,030	79,120	73,200	21.7	24.6	19.8	23.0	1,594,000	1,897,000	1,570,000	1,680,000
Europe:												
Austria	634	685	682	682	32.8	37.7	38.3	36.7	20,802	25,800	26,150	25,000
Belgium	498	498	510	523	53.6	57.0	52.0	47.8	26,672	28,400	26,500	25,000
Denmark	179	203	260	363	58.8	57.9	61.3	60.6	10,521	11,760	15,950	22,000
Finland	314	447	586	675	23.9	30.2	28.8	26.7	7,514	13,500	16,900	18,000
France	10,432	10,769	9,876	11,119	34.3	37.6	35.6	38.2	358,210	405,000	351,800	424,200
Germany, West	3,045	3,429	3,435	3,200	45.5	53.0	43.1	50.6	138,676	181,750	148,000	162,000
Greece	2,704	2,820	2,636	2,689	21.4	22.1	22.2	22.9	57,762	62,200	58,600	61,500
Ireland	361	362	345	315	42.3	47.5	50.0	50.5	15,279	17,200	17,250	15,900
Italy	12,145	11,300	10,721	11,243	27.2	22.1	28.4	30.1	329,880	250,000	305,000	338,000
Netherlands	250	313	304	326	57.8	69.2	57.6	53.4	14,446	21,670	17,500	17,400
Norway	35	22	24	26	32.4	38.2	41.7	35.0	1,134	840	1,000	910
Portugal	2,009	1,825	1,606	1,631	12.1	10.3	9.8	13.0	24,286	18,800	15,700	21,200
Spain	10,728	10,230	9,390	10,576	15.4	12.7	12.8	16.5	165,400	130,000	120,000	175,000
Sweden	831	836	679	785	33.7	36.2	44.0	42.0	28,030	30,260	29,850	33,000
Switzerland	243	258	272	256	44.7	49.4	41.9	46.5	10,860	12,750	11,400	11,900
United Kingdom	2,098	2,101	1,827	2,266	48.5	53.3	52.6	53.8	101,720	112,000	96,100	122,000
Estimated total Western Europe 5/	46,560	46,160	43,210	46,730	28.2	28.7	29.2	31.6	1,313,000	1,325,000	1,260,000	1,475,000
Bulgaria	3,466	3,113	3,212	--	19.6	23.6	19.5	--	68,100	73,500	62,500	--
Czechoslovakia	1,818	1,610	1,589	1,500	30.0	34.3	37.8	--	54,500	55,200	60,000	--
Germany, East	1,026	1,033	932	939	41.1	48.4	41.0	--	42,160	50,000	38,200	--
Hungary	3,112	2,600	2,505	2,700	22.0	25.0	28.4	--	68,500	65,000	71,100	--
Poland	3,581	3,360	3,462	3,459	23.4	25.2	29.9	--	83,900	84,600	103,500	--
Rumania	7,302	7,010	7,337	7,660	16.2	18.1	19.8	--	118,600	126,750	145,000	--
Yugoslavia	4,750	5,090	4,843	5,090	21.5	25.8	24.1	--	102,000	131,170	116,500	--
Estimated total Eastern Europe 5/	25,310	24,060	24,130	25,000	21.4	24.5	24.9	21.8	542,000	590,000	600,000	545,000
Estimated total all Europe 5/	71,870	70,220	67,340	71,730	25.8	27.3	27.6	28.2	1,855,000	1,915,000	1,860,000	2,020,000
U.S.S.R. (Europe and Asia) 6/	159,000	148,500	155,000	167,500	12.0	11.4	12.3	--	1,910,000	1,700,000	1,900,000	--

Asia:												
Iran	--	--	--	--	--	--	--	--	95,950	96,000	103,000	96,000
Iraq	2,540	3,100	3,200	--	10.7	7.0	9.4	--	27,118	22,000	30,000	--
Israel	137	135	106	--	17.6	11.1	18.9	--	2,418	1,500	2,000	--
Jordan	638	--	--	--	8.6	--	--	--	5,458	1,600	5,100	--
Lebanon	162	128	143	146	10.4	5.7	9.0	12.6	1,682	735	1,290	1,840
Syria	2,540	1,900	2,100	--	10.0	6.3	7.8	--	25,392	12,000	16,400	43,000
Turkey	16,990	15,600	15,500	--	13.7	16.7	14.5	--	232,000	260,000	225,000	245,000
China	--	--	--	--	--	--	--	--	900,000	--	--	--
India	30,448	32,542	32,047	33,240	10.9	11.6	12.6	13.1	330,926	376,700	403,900	434,000
Pakistan	11,496	12,192	11,603	11,400	11.6	11.9	12.2	12.6	133,192	144,700	141,300	144,000
Japan	1,551	1,489	1,603	1,585	32.5	37.8	40.8	37.9	50,482	56,250	65,400	60,000
Korea, Republic of	317	306	310	--	14.1	16.7	17.9	--	4,469	5,120	5,550	--
Estimated total 5/	142,010	144,600	138,160	143,650	13.3	13.3	13.5	13.9	1,895,000	1,920,000	1,865,000	2,000,000
Africa:												
Algeria	4,658	4,725	4,622	4,522	10.0	11.6	5.2	--	46,364	55,000	24,000	--
Egypt	1,561	1,512	1,436	1,510	34.4	36.4	36.8	36.8	53,778	55,100	52,800	55,500
Morocco	3,888	4,099	3,845	3,677	9.2	9.6	6.1	14.1	35,723	39,200	23,300	51,700
Tunisia	2,908	3,346	2,000	2,100	6.1	5.0	4.0	7.1	17,798	16,600	8,000	15,000
South Africa, Republic of 7/	2,906	2,796	--	--	9.5	10.1	--	--	27,554	28,300	31,000	--
Estimated total 5/	17,600	18,220	16,950	16,740	11.1	11.5	9.1	12.8	195,000	210,000	155,000	215,000
South America:												
Argentina	11,598	8,893	10,316	--	19.5	16.9	18.4	--	225,676	150,000	190,000	--
Brazil	2,386	2,000	--	--	10.3	6.5	5.6	--	24,460	13,000	--	--
Chile	2,030	2,068	2,094	--	20.0	20.0	18.7	--	40,597	41,300	39,100	--
Colombia	412	410	395	--	12.8	13.0	13.5	--	5,288	5,330	5,330	--
Peru	365	380	377	--	14.2	14.8	17.0	--	5,166	5,640	6,400	--
Uruguay	1,604	1,292	1,077	--	11.8	11.7	12.7	--	18,950	15,160	13,650	--
Estimated total 5/	18,680	15,310	16,370	15,500	17.4	15.3	16.5	17.1	323,000	235,000	270,000	265,000
Oceania:												
Australia	9,629	13,439	14,700	--	17.5	20.4	16.8	--	168,320	273,720	246,300	--
New Zealand	103	187	183	--	46.7	49.7	47.0	--	4,814	9,290	8,600	--
Total Oceania	9,732	13,626	14,883	15,190	17.8	20.8	17.1	20.4	173,134	283,010	254,900	310,000
Estimated world total 5/	492,420	487,510	487,820	503,310	16.1	16.7	16.1	16.7	7,950,000	8,160,000	7,875,000	8,390,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1962 is combined with preliminary forecasts for the Southern Hemisphere harvests which will begin late in 1962 and end early in 1963. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Unofficial estimates for production. 7/ Production on European holdings only.

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RYE: Acreage, yield per acre, and production in specified countries, year of harvest, average 1955-59, annual 1960-62 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1955-59	1960	1961	1962 4/	Average 1955-59	1960	1961	1962 4/	Average 1955-59	1960	1961	1962 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	576	540	561	668	16.3	18.6	11.6	19.0	9,393	10,125	6,519	12,689
United States	1,729	1,684	1,542	1,977	15.6	19.6	17.7	19.7	27,030	33,052	27,262	38,926
Total	2,305	2,224	2,103	2,645	15.8	19.4	16.1	19.5	36,423	43,177	33,781	51,615
Europe:												
Austria	525	421	523	523	31.0	33.0	35.5	34.0	16,254	13,900	18,590	17,800
Belgium	170	152	108	95	45.5	48.4	43.5	39.5	7,732	7,360	4,700	3,750
Denmark	270	388	451	410	40.5	46.1	44.8	43.7	10,946	17,870	20,200	17,900
Finland	217	274	232	202	22.9	26.8	21.6	22.3	4,969	7,330	5,000	4,500
France	888	738	645	628	20.3	22.3	21.2	22.1	18,055	16,430	13,660	13,900
Germany, West	3,634	3,253	2,922	2,681	40.5	45.9	33.8	43.1	147,130	149,400	98,900	115,500
Greece	115	71	63	62	14.9	15.1	15.2	13.8	1,719	1,070	960	855
Italy	178	155	150	138	23.5	23.7	25.7	26.1	4,190	3,670	3,850	3,600
Netherlands	380	375	296	263	46.2	48.3	40.0	39.9	17,540	18,130	11,850	10,500
Norway	2	3	2	2	33.0	50.0	55.0	42.5	66	150	110	85
Portugal	636	664	618	642	11.3	6.9	5.3	7.9	7,185	4,570	3,300	5,100
Spain	1,435	1,236	1,198	1,223	14.0	12.3	10.4	14.4	20,110	15,160	12,440	17,600
Sweden	258	257	185	188	32.2	35.2	39.9	39.0	8,320	9,040	7,390	7,330
Switzerland	31	35	30	34	44.6	42.3	52.7	46.8	1,382	1,480	1,580	1,590
United Kingdom	22	19	19	19	37.1	37.9	37.9	37.9	816	720	720	720
Estimated total Western Europe 5/	8,780	8,050	7,450	7,120	30.4	33.2	27.5	30.9	267,000	267,000	205,000	220,000
Bulgaria	320	210	210	--	13.9	13.3	12.4	--	4,440	2,800	2,600	--
Czechoslovakia	1,278	1,065	1,144	1,100	29.8	33.1	33.0	--	38,140	35,230	37,750	--
Germany, East	2,672	2,339	2,038	2,050	30.4	33.3	29.1	--	81,152	78,000	59,200	--
Hungary	1,019	744	662	570	18.1	18.8	17.7	--	18,410	13,950	11,700	--
Poland	12,668	12,657	12,058	11,860	22.5	24.5	27.2	--	285,280	310,000	328,500	--
Rumania	395	242	222	200	15.1	16.8	18.5	--	5,960	4,065	4,100	--
Yugoslavia	628	526	445	420	15.7	17.4	16.9	--	9,864	9,170	7,500	--
Estimated total Eastern Europe 5/	19,010	17,820	16,810	16,440	23.3	25.4	26.8	26.2	443,000	453,000	450,000	430,000
Estimated total all Europe 5/	27,790	25,870	24,260	23,560	25.5	27.8	27.0	27.6	710,000	720,000	655,000	650,000
U.S.S.R. (Europe and Asia) 6/	44,735	40,030	41,300	43,700	14.2	13.0	14.5	--	635,000	520,000	600,000	--
Asia:												
Turkey	1,611	1,425	1,500	1,525	15.0	16.5	16.0	16.1	24,086	23,500	24,000	24,500
South America:												
Argentina	2,660	1,811	1,775	--	12.0	11.0	11.8	--	31,816	19,900	20,900	--
Estimated world total 5/	79,480	71,740	71,310	73,620	18.1	18.5	18.8	18.3	1,440,000	1,330,000	1,340,000	1,350,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1962 is combined with preliminary forecasts for the Southern Hemisphere harvests, which will begin late in 1962 and end early in 1963. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Preliminary estimates for Northern Hemisphere countries, for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Unofficial estimates for production.

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crops in India and Pakistan should make some reduction in import requirements there. Mainland China is expected to continue to be a large importer, though probably less active than during the past 2 seasons.

Competition will be strong for existing markets. Larger supplies will be available in exporting countries outside North America this season. France is expected to have over 100 million bushels for export. Australia will have a somewhat larger surplus than last year if current prospects materialize. Syria is also expected to have a substantial surplus, after several small crops. Although it is too soon for definite indications, Argentina seems to be the only foreign exporter with poorer prospects than last season. Any foreseeable reduction there, however, would be more than offset by larger supplies in the other exporting countries.

This year's wheat outturn in North America is estimated at 1,680 million bushels, above 1961 and the 1955-59 average but 11 percent below the record 1960 harvest. Canada's production of 531 million bushels was sharply above the poor crop of 283 million last year and offset the substantial reduction in the United States.

Total production of 1,096 million bushels in the United States consists of 815 million of winter wheat and 281 million of spring wheat. Included in the total for spring grain is 67 million bushels of durum, contrasting with the 1961 durum crop of only 19 million. Canada's durum crop was also up sharply, having increased from 14 million bushels last year to 58 million.

U.S. wheat acreage was cut from 51.6 million acres in 1961 to 44 million, the smallest harvested acreage since 1957. Yields per acre were 24.9 bushels, well above average. Canada's acreage of 26.9 million acres was the largest since 1950. Yields of 19.7 bushels per acre were above average despite shortage of subsoil moisture throughout the season.

Production of rye in North America is estimated at 52 million bushels, the largest crop since 1948. The U.S. crop of 39 million bushels is 43 percent above the 1961 outturn because of increased acreage and larger yields. Canada's acreage and yields were also up and the harvest of 13 million bushels was almost double the small 1961 production.

Wheat production in Western Europe is estimated at a record 1,475 million bushels. This is 215 million bushels above the small 1961 crop. Increases are general but the most significant gains are in France, Spain, Italy, West Germany, and the United Kingdom. Increased acreage was an important factor in all of these countries except West Germany where a moderate reduction is reported. Larger yields also played an important part.

Rye production in Western Europe is estimated at 220 million bushels, compared with 205 million last year. Rye acreage continued its downward trend but yields were larger than in 1961. Most of the crop increase was in West Germany, where more than half Western Europe's total is produced.

Eastern Europe's wheat crop is estimated at 545 million bushels, well below the bumper crop of 1961. Growing conditions were less favorable than last year and reduced yields more than offset larger acreage. Rye production is also indicated to be slightly smaller because of reduced acreage and slightly smaller yields.

Wheat acreage is reported somewhat larger in the Soviet Union. The reported 167.5 million acres is 8 percent above the 1961 acreage. The increase is in spring wheat to make up for extensive winterkill in the important winter wheat region of the Ukraine. Drought in a number of important regions is believed to have affected yields. Production, therefore, might not exceed the 1961 outturn. A small rye acreage increase is indicated in the Soviet Union but yields are expected to be less than the good 1961 yields.

A large wheat crop is estimated for Asia. A tentative estimate of 2 billion bushels is well above last year's total and would be a new record. Increases over the previous record in 1960 are mainly in India and Syria; both countries report record harvests. Turkey is the only rye producer of importance in Asia and little change from the 1961 production is reported.

A good wheat outturn is reported for Africa after the poor crop of a year ago. The present forecast of 215 million bushels is above average and considerably above last year's small harvest of 155 million. Most of the increase is in the important producing North African countries. Rye is of no significance in Africa.

South America's outlook is less favorable than last year mainly because of drought in parts of Argentina. Although it is too early for reliable indications, the 1962 harvest beginning in November may be slightly less than the 1961 production.

The outlook for Australia's wheat crop is promising after a slow start because of dryness. A record crop is expected if adequate rains are received during the remainder of the growing season. Rye is of no importance in the area.

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FOREIGN AGRICULTURE CIRCULAR

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Foreign Agricultural Service Washington D.C.

GRAIN
FG 14-62
October 1962

EXPORTS OF U.S. COARSE GRAIN PRODUCTS UP 20 PERCENT

U.S. coarse grain and grain product exports totaled 14.7 million metric tons in fiscal year 1961-62, 20 percent above the preceding year. Of this amount, 533,000 tons were grain products, consisting of cornmeal, hominy and grits, cornstarch, oatmeal and barley malt.

Corn products.--Total corn product exports were up 16 percent from the 383,000 tons shipped in 1960-61 to 444,000 tons in 1961-62, of which cornmeal shipments of 379,000 tons accounted for 85 percent. About 337,000 tons of the cornmeal were U.S. Government relief shipments to needy countries. The largest markets for cash sales of cornmeal were Canada, the Netherlands Antilles, and the Congo Republic, while relief shipments were chiefly to Brazil, Chile, Colombia, Egypt, India, Korea and the Philippines.

Hominy and grits shipments were up 11 percent from 26,000 tons the previous year to 29,000 for 1961-62. Larger shipments went to Canada and Venezuela.

Cornstarch exports totaled 36,000 tons compared with 34,000 tons for the same period the previous year.

Oatmeal.--About 35,000 tons of oatmeal (bulk and packaged) were shipped in 1961-62--a slight decrease from 36,000 tons a year earlier. The best markets were Mexico, Venezuela, and Colombia.

Barley malt.--About 53,000 tons of barley malt were exported in 1961-62--down 9 percent from last year's shipments of 59,000 tons. More than 50 percent of the total barley malt exports went to Venezuela.

COARSE GRAINS (grain equivalent): U.S. exports by country of destination, fiscal year 1961-62

Country of destination	Corn and products: Corn except seed	Corn seed: except sweet	Corn for relief	Corn meal	Hominy and grits	Corn starch	Corn meal for relief	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
North and Central America and Caribbean:								
Canada	1,295,094	1,172	73	10,338	14,088	8,672	--	1,329,437
Mexico	22,334	1,037	9,394	189	961	680	7,956	42,551
British Honduras	372	--	61	4	70	3	324	834
Canal Zone	--	--	--	--	--	55	--	55
Costa Rica	918	--	--	--	--	272	140	1,330
El Salvador	9,151	28	99	53	--	34	746	10,111
Guatemala	20,266	2	229	72	--	66	1,952	22,587
Honduras	105	--	27	--	676	96	1,080	1,984
Nicaragua	3,386	7	475	451	--	14	1,357	5,690
Panama	5,875	--	--	26	45	2,856	280	9,082
Bahamas	1,554	--	--	95	2,350	105	--	4,104
Barbados	806	--	--	315	9	2	--	1,132
Bermuda	4	--	--	11	--	84	--	99
Dominican Republic	--	--	2,771	843	1,594	55	3,210	8,473
French West Indies	85	--	--	62	--	--	319	466
Haiti	--	--	--	--	--	181	4,138	4,319
Jamaica	12,577	--	--	652	--	1,355	2,478	17,062
Leeward and Windward Islands	618	--	--	287	--	--	145	1,050
Netherlands Antilles	1,560	--	--	5,535	--	24	--	7,119
Trinidad and Tobago	4,155	--	--	96	--	94	37	4,382
Total	1,378,860	2,246	13,129	19,029	19,793	14,648	24,162	1,471,867
South America:								
Argentina	22	22	--	--	--	235	--	279
Bolivia	--	--	--	--	--	--	1,250	1,250
Brazil	10,999	--	--	--	--	355	11,473	22,827
British Guiana	1,060	--	--	9	--	--	--	1,069
Chile	13,731	7	--	--	--	20	12,410	26,168
Colombia	16,401	--	--	--	--	48	20,354	36,803
Ecuador	116	--	--	--	--	759	4,685	5,560
Paraguay	--	--	--	--	5	--	1,928	1,933
Peru	6,613	--	--	1,888	--	1,670	8,381	18,552
Surinam	491	--	--	192	--	--	--	683
Venezuela	49,903	41	--	56	7,082	720	1,648	59,450
Uruguay	--	5	--	--	--	60	720	785
Total	99,336	75	--	2,145	7,087	3,867	62,849	175,359
Western Europe:								
Austria	227,768	10	--	--	--	6	51	227,835
France	417	219	--	--	--	71	32	739
Belgium-Luxembourg	533,256	104	--	10	--	603	--	533,973
Denmark	81,758	--	--	--	--	5	--	81,763
Finland	51	2	--	--	--	18	--	71
Germany, West	600,080	2,556	--	53	1,467	31	--	604,187
Greece	80,499	--	--	--	--	16	10,655	91,170
Iceland	146	--	--	620	--	4	--	770
Ireland	128,614	--	--	--	--	--	--	128,614
Italy	451,169	126	--	--	52	66	9,893	461,306
Netherlands	1,508,779	154	--	7	309	--	--	1,509,249
Norway	103,530	--	--	--	--	1,489	--	105,019
Azores	--	--	--	107	--	--	--	107
Portugal	--	45	--	1,080	--	--	1,783	2,908
Spain	187,838	188	--	--	--	5	3,857	191,888
Gibraltar	--	--	--	--	--	2	--	2
Sweden	11,058	21	--	120	671	240	--	12,110
Switzerland	68,633	7	--	--	--	228	--	68,868
United Kingdom	2,466,752	71	--	65	39	12,068	--	2,478,995
Malta	--	--	--	13	--	2	25	40
Trieste	15,423	--	--	--	--	--	202	15,625
Cyprus	2,646	--	--	--	--	--	--	2,646
Total	6,468,417	3,503	--	2,075	2,538	14,854	26,498	6,517,885
Eastern Europe:								
Czechoslovakia	--	184	--	--	--	--	--	184
Poland	--	--	--	41	--	--	1,804	1,845
Rumania	--	--	--	--	--	--	--	--
Yugoslavia	60,214	161	--	--	--	--	14	60,389
U.S.S.R.	--	3	--	--	--	--	--	3
Total	60,214	348	--	41	--	--	1,818	62,421
Total all Europe	6,528,631	3,851	--	2,116	2,538	14,854	28,316	6,580,306

COARSE GRAINS (grain equivalent): U.S. exports by country of destination, fiscal year 1961-62

Oats and products				Barley and products			Grain sorghums	Grand total all grains & products	Country of destination
Oats	Oatmeal		Total	Barley	Malt	Total			
	Bulk	Packaged							
Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	North and Central America and Caribbean:
80,893	94	30	81,017	80,214	344	80,558	2,839	1,493,851	Canada
794	6,015	1,336	8,145	27,913	2,994	30,907	40,614	122,217	Mexico
--	--	130	130	--	271	271	--	1,235	British Honduras
--	--	81	81	--	--	--	--	136	Canal Zone
--	126	1,005	1,131	--	1,506	1,506	907	4,874	Costa Rica
--	--	395	395	--	1,322	1,322	100	11,928	El Salvador
--	1,236	560	1,796	--	237	237	--	24,620	Guatemala
--	32	1,055	1,087	--	2,400	2,400	--	5,471	Honduras
52	--	976	1,028	--	141	141	--	6,859	Nicaragua
549	195	1,187	1,931	36	1,580	1,616	--	12,629	Panama
--	--	109	109	--	--	--	5	4,218	Bahamas
7	14	--	21	--	232	232	27	1,412	Barbados
--	--	13	13	--	--	--	--	112	Bermuda
109	82	802	993	--	1,221	1,221	--	10,687	Dominican Republic
--	--	1	1	--	--	--	--	467	French West Indies
--	--	116	116	--	--	--	--	4,435	Haiti
483	--	261	744	--	520	520	1,692	20,018	Jamaica
--	--	5	5	--	--	--	--	1,055	Leeward and Windward Is.
--	--	378	378	--	5	5	--	7,502	Netherlands Antilles
364	--	2	366	--	--	--	2,418	7,166	Trinidad and Tobago
83,251	7,794	8,442	99,487	108,163	12,773	120,936	48,602	1,740,892	Total
									South America:
--	--	--	--	--	--	--	1,579	1,858	Argentina
--	--	63	63	--	--	--	--	1,313	Bolivia
--	--	--	--	--	587	587	6	23,420	Brazil
9	--	--	9	--	287	287	--	1,365	British Guiana
--	--	67	67	5	--	5	6	26,246	Chile
22	4,969	69	5,060	--	--	--	10,388	52,251	Colombia
35	110	122	267	--	233	233	--	6,060	Ecuador
--	--	--	--	--	--	--	--	1,933	Paraguay
62	--	843	905	3	1,296	1,299	--	20,756	Peru
--	73	157	230	--	--	--	--	913	Surinam
874	1,726	9,227	11,827	194	29,492	29,686	19	100,982	Venezuela
--	--	--	--	--	--	--	--	785	Uruguay
1,002	6,878	10,548	18,428	202	31,895	32,097	11,998	237,882	Total
									Western Europe:
--	--	--	--	23,701	--	23,701	--	251,536	Austria
2,032	--	--	2,032	51,429	--	51,429	14,146	68,346	France
9,803	--	1	9,804	55,651	--	55,651	551,947	1,151,375	Belgium-Luxembourg
595	--	--	595	49,981	--	49,981	82,974	215,313	Denmark
--	--	--	--	--	--	--	--	71	Finland
87,380	--	--	87,380	639,723	--	639,723	60,115	1,391,405	Germany, West
--	--	29	29	45,977	--	45,977	--	137,176	Greece
26	--	--	26	1,807	--	1,807	--	2,603	Iceland
--	--	--	--	--	--	--	27,033	155,647	Ireland
--	--	--	--	8,108	--	8,108	1,989	471,403	Italy
76,860	--	6	76,866	224,303	2,743	227,046	637,109	2,450,270	Netherlands
--	--	6	6	1,817	--	1,817	50,272	157,114	Norway
--	--	--	--	--	--	--	--	107	Azores
--	--	1	1	--	--	--	--	2,909	Portugal
--	--	--	--	92,725	--	92,725	3,805	288,418	Spain
--	--	--	--	--	--	--	--	2	Gibraltar
3,500	--	--	3,500	2,751	--	2,751	--	18,361	Sweden
5,643	--	--	5,643	24,547	--	24,547	12,898	111,956	Switzerland
--	--	--	--	15,693	--	15,693	119,082	2,613,770	United Kingdom
--	--	--	--	--	--	--	--	40	Malta
--	--	--	--	19,305	--	19,305	--	34,930	Trieste
--	--	--	--	--	--	--	--	2,646	Cyprus
185,839	--	43	185,882	1,257,518	2,743	1,260,261	1,561,370	9,525,398	Total
									Eastern Europe:
--	--	--	--	--	--	--	--	184	Czechoslovakia
--	--	--	--	96,503	--	96,503	--	98,348	Poland
--	--	--	--	--	--	--	53	53	Rumania
--	--	--	--	--	--	--	--	60,389	Yugoslavia
--	--	--	--	--	--	--	--	3	U.S.S.R.
--	--	--	--	96,503	--	96,503	53	158,977	Total
185,839	--	43	185,882	1,354,021	2,743	1,356,764	1,561,423	9,684,375	Total all Europe

COARSE GRAINS (grain equivalent): U.S. exports by country of destination, fiscal year 1961-62 (Continued)

Country of destination	Corn and products: Corn except seed	Corn seed except sweet	Corn for relief	Corn meal	Hominy and grits	Corn starch	Corn meal for relief	Total
	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons
Africa:								
Algeria	14	2	--	--	--	--	4,447	4,463
Egypt	402,194	--	14,306	--	--	6	34 948	451,454
Libya	15	--	--	12	--	2	--	29
Madeira Islands	--	--	--	90	--	--	--	90
Morocco	41	--	--	--	--	10	236	287
Tunisia	46,128	--	--	--	--	--	706	46.834
Ethiopia	5	--	--	--	--	--	651	656
Angola	--	--	--	--	--	--	602	602
Congo, Republic of the	--	--	--	5,859	--	117	8,990	14,966
British East Africa	97,969	--	--	1,216	--	1	3,161	102,347
British West Africa	--	--	--	--	--	--	859	859
Ghana	181	--	--	2,162	--	--	2,021	4,364
Liberia	22	--	--	286	--	52	286	646
Nigeria and Cameroon	253	--	--	96	12	--	575	936
Mozambique	--	--	--	35	--	--	--	35
South Africa Republic	--	--	--	--	--	13	883	896
Canary Islands	63,544	--	--	411	--	--	--	63,955
Somali Republic	7,986	--	--	--	--	--	--	7,986
Other Africa	2,357	--	--	8,199	--	--	3,591	14,147
Others	--	--	--	--	--	14	50	64
Total	620,709	2	14,306	18,366	12	215	62,006	715,616
Asia:								
Aden	31	--	--	--	--	--	--	31
Arabian Peninsula	46	--	--	--	--	--	--	46
Bahrein	136	--	--	--	--	--	--	136
Iran	132	3	--	4	--	22	--	161
Iraq	48	--	--	--	--	--	--	48
Israel	176,502	12	--	--	--	802	29	177,345
Jordan	184	--	--	--	--	--	--	184
Kuwait	172	--	--	5	64	4	--	245
Lebanon	3,270	--	--	6	--	16	--	3,292
Saudi Arabia	401	--	--	158	--	29	--	588
Syria	22,133	--	--	--	--	--	--	22,133
Turkey	9,751	--	--	--	--	--	--	9,751
Ceylon	10	--	--	--	--	187	--	197
Taiwan	17,295	--	10	--	--	129	--	17,434
Hong Kong	2,637	2	--	--	--	38	1,957	4,634
India	111,051	--	236	26	--	58	27,625	138,996
Indonesia	65	--	336	--	--	20	--	421
Japan	890,896	258	--	6	--	34	468	891,662
Korean Republic	11,741	--	10	--	--	--	76,202	87,953
Malaya and Singapore	629	1	--	19	--	--	849	1,498
Pakistan	--	--	1,343	--	--	--	17	1,360
Philippines	31	--	--	19	--	348	38,458	38,856
Thailand	53	--	--	--	--	2	--	55
Vietnam	--	--	--	--	--	17	12,218	12,235
Nansei Islands	28	--	--	--	--	200	1,647	1,875
Others	--	--	--	--	--	--	294	294
Total	1,247,242	276	1,935	243	64	1,906	159,764	1,411,430
Oceania:								
Australia	--	--	--	--	--	300	--	300
New Zealand	54	14	--	--	--	37	--	105
French Pacific Islands	17	--	--	--	--	7	--	24
Trust Territory of the Pacific Is.	--	--	--	5	--	3	--	8
Total	71	14	--	5	--	347	--	437
World total	9,874,849	6,464	29,370	41,904	29,494	35,837	337,097	10,355,015
Equivalent, 1,000 bushels	388,774	254	1,156	1,650	1,161	1,411	13,271	407,677

COARSE GRAINS (grain equivalent): U.S. exports by country of destination, fiscal year 1961-62 (Continued)

Oats and products				Barley and products			Grain sorghums	Grand total all grains & products	Country of destination
Oats	Oatmeal Bulk	Oatmeal Packaged	Total	Barley	Malt	Total			
Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	Metric tons	
									Africa:
--	--	--	--	62,533	--	62,533	--	66,996	Algeria
--	--	--	--	--	--	--	--	451,454	Egypt
--	--	--	--	--	--	--	--	29	Libya
--	--	--	--	--	--	--	--	90	Madeira Islands
--	--	--	--	161,390	--	161,390	5	161,682	Morocco
--	--	--	--	63,324	--	63,324	2,500	112,658	Tunisia
--	--	4	4	2	--	2	13,997	14,659	Ethiopia
--	--	29	29	--	--	--	--	631	Angola
--	132	483	615	--	6,010	6,010	--	21,591	Congo, Republic of the
--	--	25	25	--	--	--	--	102,372	British East Africa
--	--	--	--	--	--	--	--	859	British West Africa
--	--	--	--	--	--	--	--	4,364	Ghana
--	--	253	253	--	--	--	--	899	Liberia
--	48	--	48	--	--	--	--	984	Nigeria and Cameroon
--	--	5	5	--	--	--	--	40	Mozambique
--	--	--	--	--	--	--	174	1,070	South Africa Republic
--	--	--	--	--	--	--	--	63,955	Canary Islands
--	--	--	--	--	--	--	8,028	16,014	Somali Republic
--	--	--	--	200	--	200	34,953	49,300	Other Africa
--	--	--	--	--	--	--	28	92	Others
--	180	799	979	287,449	6,010	293,459	59,685	1,069,739	Total
									Asia:
--	--	--	--	--	--	--	--	31	Aden
--	--	--	--	--	--	--	--	46	Arabian Peninsula
--	--	--	--	--	--	--	--	136	Bahrein
--	--	39	39	4	--	4	--	204	Iran
--	--	15	15	--	--	--	--	63	Iraq
--	--	--	--	6,401	--	6,401	203,306	387,052	Israel
--	--	--	--	--	--	--	--	184	Jordan
--	--	--	--	--	--	--	--	245	Kuwait
--	30	38	68	--	--	--	--	3,360	Lebanon
--	60	144	204	--	--	--	--	792	Saudi Arabia
--	--	20	20	--	--	--	--	22,153	Syria
--	--	--	--	--	--	--	--	9,751	Turkey
--	--	--	--	--	--	--	--	197	Ceylon
--	--	--	--	13,315	--	13,315	--	30,749	Taiwan
--	--	15	15	--	--	--	14	4,663	Hong Kong
--	--	6	6	--	--	--	--	139,002	India
--	--	12	12	--	--	--	--	433	Indonesia
--	--	9	9	--	4	4	294,235	1,185,910	Japan
--	--	--	--	10,222	--	10,222	--	98,175	Korean Republic
--	--	--	--	--	--	--	--	1,498	Malaya and Singapore
--	--	--	--	--	--	--	--	1,360	Pakistan
263	12	398	673	18	--	18	--	39,547	Philippines
--	--	--	--	--	--	--	--	55	Thailand
--	--	10	10	--	--	--	--	12,245	Vietnam
--	--	5	5	--	--	--	--	1,880	Nansei Islands
--	--	--	--	--	--	--	--	294	Others
263	102	711	1,076	29,960	4	29,964	497,555	1,940,025	Total
									Oceania:
--	--	--	--	--	--	--	--	300	Australia
--	--	--	--	--	--	--	--	105	New Zealand
--	--	5	5	--	--	--	--	29	French Pacific Islands
--	--	10	10	--	--	--	--	18	Trust Territory of the Pac.Is.
--	--	15	15	--	--	--	--	452	Total
270,355	14,954	20,558	305,867	1,779,795	53,425	1,833,220	2,179,263	14,673,365	World total
18,626	1,030	1,416	21,072	81,743	2,454	84,197	85,798		Equivalent, 1,000 bushels

UNITED STATES DEPARTMENT OF AGRICULTURE

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U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service Washington D.C.

GRAIN
FG 15-62
October 1962

U.S. EXPORTS OF PREPARED AND MIXED FEEDS SET NEW RECORD

U.S. exports of prepared and mixed feeds from July 1961 through June 1962 totaled 492,000 short tons--17 percent more than the record of 419,000 tons in 1959-60. The 1950-54 average was only 99,000 tons.

Expanding livestock numbers in many countries, upward trends in consumer purchasing power and per capita consumption of meat, eggs, and dairy products, have required more feed imports. This has influenced the growth and expansion of U.S. feed industries in recent years.

Exports of fodders and feeds (including concentrate and by-products of the milling industry) constituted 57 percent of the total in 1961-62, and have increased more than the other classes of feeds. Exports of products almost entirely of cereal origin (poultry feeds, corn feeds, wheat feeds, and dairy feeds) were larger in 1961-62 than in the previous year, but less than during 1959-60. This decrease reflects a larger production of this variety of feeds in foreign countries.

Table 1.--FEEDS, PREPARED AND MIXED: U.S. exports by classification, average 1950-54, annual 1958-59 through 1961-62

Commodity	Average 1950-54	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Dairy feeds	4,000	6,041	4,509	6,761	7,572
Poultry feeds	29,000	113,169	115,558	117,591	118,891
Corn feeds	15,000	14,718	66,071	38,210	55,982
Wheat feeds	4,000	53,072	59,015	36,631	30,341
Fodders and other feeds	47,000	121,685	173,401	199,264	279,122
Total	99,000	308,685	418,554	398,457	491,908

Table 2.--FEEDS, PREPARED AND MIXED: Total exports by areas, 1957-58 through 1961-62

Area	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Western Hemisphere	170,202	183,840	166,282	167,112	177,832
Europe	59,019	53,978	170,890	109,535	184,487
Asia	66,583	69,907	79,601	119,624	126,225
Africa	597	662	989	1,348	2,517
Oceania	581	298	792	838	847
Total	296,982	308,685	418,554	398,457	491,908

Exports of prepared and mixed poultry feeds (mixed chicken feed, hen feed, laying mash, Quaker 20, turkey pellets, and feeds containing less than 100,000 units of penicillin or 100,000 units of bacitracin per pound, or less than 1/10 gram of any other antibiotic per pound) represent the largest item among those in which grains are the most important ingredient. Exports of these products increased steadily during the last 5 years--totaling 119,000 tons in 1961-62, compared with 29,000 tons in the 1950-54 average. Principal markets have been Mexico, Jamaica, Trinidad and Tobago. Shipments to Iceland, Lebanon, and Hong Kong increased substantially in 1961-62.

Prepared or mixed corn feeds (bran, gluten feed and meal, grits and cornmeal, cracked corn, hominy feed and corn feed with added vitamins) were the second most important item in exports of feeds made largely from grain. Exports increased from 38,000 tons in 1960-61 to 56,000 in 1961-62. European countries, mainly the Netherlands, Iceland, and Italy were the leading markets in fiscal year ending June 30, 1962.

Prepared or mixed wheat feeds (bran, cracked and crushed wheat feed, middlings, red dog, shorts, mixed wheat feed, and wheat flakes, scalpings and screenings) constitute the third most important group of U.S. exports of prepared or mixed feeds of cereal origin. Exports of these feeds have declined. Japan continues as the largest buyer, but imported 10,000 tons less in 1961-62 than in the previous season and less than half the amount imported in 1957-58. Japan's increased imports of feed-type wheat has reduced the import requirements of this type of feed.

Exports of prepared or mixed dairy feeds (calf meal, mixed cattle feed, Con-O-Mineral, cow feed, Hon-E-Mix, and feeds containing less than 100,000 units of penicillin or 100,000 units of bacitracin per pound, or less than 1/10 gram of any other antibiotic per pound) in 1961-62 were slightly more than the previous year. The bulk of the exports went to Western Hemisphere markets.

Exports of fodders and other feeds (including concentrates) not elsewhere classified have increased substantially from year to year during the past five years. Feedstuffs in this category include alfalfa meal and pellets; alfalfa protein; barley screenings; brewers' dried grain; dehydrated cereal grass feed; distillers dried grains, grain chaff, hulls and screenings; malt sprouts; milo flour meal grits; oat blowing and clippings, and oat feed; rice bran, middlings, mill-feed, offal, shorts and middlings; rye mill feed and offal; sorghum meals; spent grain, and mash, dried; and those from a number of other products of vegetable origin.

Exports in 1961-62 totaled 279,000 tons; compared with 199,000 in 1960-61; 98,000 in 1957-58; and 47,000 in the 1950-54 average. Shipments have increased more to West Germany and Japan where production of mixed feeds was larger in the last two years. Larger shipments also went to other European markets and Canada in 1961-62.

Alfalfa meal and pellets make up an important share of this increase. Meal and pellets manufactured from dehydrated alfalfa are used extensively in poultry feeds as a supplemental source of vitamin A, xanthophyll and protein.

Table 3.--POULTRY FEEDS, PREPARED AND MIXED: U.S. exports by country of destination, year beginning July 1, 1957-1961

Country of destination	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Western Hemisphere:					
Canada	70	128	151	172	384
Mexico	27,633	18,663	9,416	9,637	12,009
Guatemala	1,504	2,493	5,322	5,458	4,087
British Honduras	361	549	810	776	740
El Salvador	1,233	1,805	2,088	1,570	1,828
Honduras	124	148	142	317	361
Nicaragua	111	135	331	629	667
Costa Rica	6,763	10,400	11,485	4,519	4,618
Panama Republic	1,382	1,060	1,199	622	603
Canal Zone	173	--	10	--	--
Bermuda	4,016	5,493	5,253	5,714	6,125
Bahamas	3,609	3,395	5,475	5,184	5,391
Cuba	15,182	14,786	7,746	1,273	--
Jamaica	9,514	13,998	16,045	17,212	17,802
Haiti	313	305	352	380	407
Dominican Republic	541	1,016	915	560	801
Leeward & Windward Is.	292	593	665	1,289	1,615
Barbados	2,320	2,861	2,890	3,328	3,178
Trinidad and Tobago	11,556	13,260	12,766	13,456	16,678
Netherlands Antilles	7,252	8,658	9,536	6,582	6,161
French West Indies	124	55	143	124	177
Colombia	413	127	127	10,433	114
Venezuela	7,323	5,290	4,653	2,401	463
British Guiana	2,375	3,790	5,749	6,332	4,797
Surinam	798	902	1,711	2,655	2,779
French Guiana	--	--	243	--	--
Ecuador	297	410	679	653	898
Peru	119	43	--	20	110
Bolivia	--	42	--	76	180
Brazil	--	--	2	--	23
Chile	--	--	--	--	102
Others	--	--	--	8	--
Total	105,398	110,405	105,904	101,380	93,098
Europe:					
Denmark	--	--	--	4	79
Iceland	926	202	2,452	2,287	3,758
Sweden	3	--	--	--	--
Netherlands	--	--	26	--	2
Belgium-Luxembourg	289	--	6	--	--

(Continued)

Table 3.--POULTRY FEEDS, PREPARED AND MIXED: U.S. exports by country of destination, year beginning July 1, 1957-1961 (Continued)

Country of destination	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Europe (Continued):					
Germany, West	--	55	--	2	137
Poland	--	--	154	950	530
Italy	--	29	1,476	1,626	1,324
Greece	--	40	--	6	80
Spain	--	--	--	79	372
Others	--	--	--	--	83
Total	1,218	326	4,114	4,954	6,365
Asia:					
Syria	--	--	25	20	200
Lebanon	622	513	1,816	3,541	6,114
Israel	--	86	76	91	139
Jordan	7	5	24	279	252
Kuwait	--	--	80	110	587
Saudi Arabia	--	--	--	102	45
Bahrein	--	25	--	--	--
Thailand	--	--	2	43	29
Vietnam, Laos & Cambodia	8	--	30	--	--
Malaya	6	--	--	6	68
Philippines	948	1,064	1,110	674	326
Hong Kong	--	--	745	3,699	5,801
Japan	16	--	607	654	2,904
Nansei and Nanpo Islands	--	--	20	25	--
Others	--	--	--	202	303
Total	1,607	1,693	4,535	9,446	16,768
Others:					
Australia	--	--	2	32	31
French Pacific Islands	446	204	264	378	381
Trust Territory of the Pacific	100	30	64	178	101
Libya	16	10	40	--	--
Ghana	--	35	--	265	423
Nigeria	--	50	--	20	5
Liberia	468	400	635	908	1,591
Belgian Congo	--	16	--	--	99
Other Africa	--	--	--	30	29
Total	1,030	745	1,005	1,811	2,660
World total	109,253	113,169	115,558	117,591	118,891

Table 4.--CORN FEEDS, PREPARED AND MIXED: U.S. exports by country of destination, year beginning July 1, 1957-1961

Country of destination	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Western Hemisphere:					
Canada	279	531	887	1,062	2,257
Mexico	52	170	320	144	383
Guatemala	—	10	—	2	—
Panama	—	—	2	—	—
Dominican Republic	—	—	—	6	—
Bermuda	15	3	15	33	30
Bahamas	1,658	1,589	324	403	241
Cuba	20	932	465	280	—
Jamaica	105	25	643	1,037	2,109
Leeward and Windward Islands	32	—	—	23	46
Barbados	—	—	250	1,126	2,287
Trinidad and Tobago	—	226	1,579	3,415	2,801
Haiti	—	—	50	—	—
Netherlands Antilles	30	—	57	23	586
French West Indies	—	—	14	—	2
Colombia	64	—	—	—	—
Venezuela	—	—	—	90	61
British Guiana	20	—	20	73	—
Surinam	—	—	—	20	53
Total	2,275	3,486	4,626	7,737	10,856
Europe:					
Iceland	12,455	8,013	10,522	12,289	14,635
Sweden	—	—	33	—	—
Denmark	—	—	447	—	—
Ireland	—	—	280	—	—
Netherlands	16	350	26,825	9,175	20,271
Belgium-Luxembourg	—	—	4,479	40	265
France	—	—	2,210	—	53
Germany, West	—	—	9,974	—	—
Switzerland	—	—	110	—	—
Italy	753	2,849	6,325	7,243	9,446
Greece	—	—	—	—	50
Total	13,224	11,212	61,205	28,747	44,720
Others:					
Hong Kong	—	—	—	—	375
Philippines	—	—	225	123	—
Korea, Republic of	60	—	—	1,380	—
Japan	—	—	13	194	—
Ceylon	—	—	—	—	11
French Pacific Island	—	—	—	—	8
Trust Territory	—	—	2	6	—
New Guinea	—	—	—	7	—
Egypt	—	—	—	16	—
Liberia	—	20	—	—	12
Total	60	20	240	1,726	406
World total	15,559	14,718	66,071	38,210	55,982

Table 5.--WHEAT FEEDS, PREPARED AND MIXED: U.S. exports by country of destination, year beginning July 1, 1957-1961

Country of destination	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Western Hemisphere:					
Canada	20	17	122	438	104
Mexico	--	31	--	4	6
Guatemala	--	--	52	502	1,118
British Honduras	--	--	--	18	46
El Salvador	--	--	75	251	547
Nicaragua	--	--	6	10	107
Costa Rica	--	20	72	321	499
Panama Republic	--	80	--	11	--
Bermuda	--	30	30	299	406
Bahamas	--	5	11	38	--
Cuba	30	6	348	--	--
Jamaica	20	132	110	693	1,379
Haiti	--	--	--	57	34
Dominican Republic	160	72	15	33	19
Barbados	--	--	935	--	304
Trinidad and Tobago	--	85	373	118	56
Netherlands Antilles	--	195	350	1,009	1,908
Colombia	21	--	--	--	251
Venezuela	120	193	389	405	1,343
Surinam	20	6	84	49	107
Ecuador	--	20	151	575	976
Peru	--	1,646	--	--	54
Others	--	--	--	26	27
Total	391	2,538	3,123	4,857	9,291
Europe:					
Iceland	363	100	151	--	--
United Kingdom	13,473	--	--	--	--
Netherlands	--	--	2,905	580	--
Greece	--	--	--	--	12
Total	13,836	100	3,056	580	12
Hong Kong	--	551	--	--	--
Japan	52,885	49,883	52,836	31,190	21,023
Others	73	--	--	4	15
World total	67,185	53,072	59,015	36,631	30,341

Table 6.--DAIRY FEEDS, PREPARED OR MIXED: U.S. exports by country of destination, year beginning July 1, 1957-1961

Country of destination	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Western Hemisphere:					
Canada	174	193	332	364	1,249
Mexico	362	754	156	506	495
Guatemala	203	63	110	233	50
British Honduras	--	50	--	2	--
El Salvador	55	134	234	193	238
Honduras	33	--	--	--	--
Nicaragua	--	21	24	109	46
Costa Rica	241	394	216	511	293
Panama	439	43	82	88	226
Canal Zone	1,355	--	--	--	--
Bermuda	467	268	30	144	101
Bahamas	410	414	395	321	463
Cuba	728	579	204	72	--
Jamaica	330	276	128	100	123
Haiti	6	--	10	9	54
Dominican Republic	38	29	61	33	78
Leeward and Windward Islands	20	30	--	--	--
Barbados	37	181	598	488	485
Trinidad and Tobago	132	256	218	346	238
Netherlands Antilles	756	779	353	300	238
French West Indies	22	--	--	--	4
Colombia	32	110	--	100	35
Venezuela	69	223	328	207	359
British Guiana	151	48	4	24	181
Surinam	112	51	28	114	120
Ecuador	15	25	--	--	8
Peru	98	40	10	29	3
Others	--	--	--	2	20
Total	6,285	4,961	3,521	4,295	5,107
Europe:					
Iceland	226	330	--	910	983
Denmark	--	400	--	1,079	--
Belgium-Luxembourg	15	--	559	--	21
Germany, West	--	--	--	--	665
Italy	363	275	373	364	266
Greece	--	--	6	--	9
Spain	--	--	--	19	14
Others	--	--	5	21	--
Total	604	1,005	943	2,393	1,958
Lebanon	--	--	--	13	198
Kuwait	--	--	--	--	106
Philippines	--	34	43	21	67
Japan	--	--	--	--	89
French Pacific Islands	--	41	2	32	6
Others	48	--	--	7	41
World total	6,937	6,041	4,509	6,761	7,572

Table 7.--FODDERS AND FEEDS, n.e.c.: U.S. exports by country of destination, year beginning July 1, 1957-1961

Country of destination	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Western Hemisphere:					
Canada	24,066	33,039	19,281	18,680	26,789
Mexico	12,626	8,449	6,160	5,200	5,852
Guatemala	302	587	654	918	545
British Honduras	8	20	12	--	--
El Salvador	45	154	747	215	479
Honduras	118	102	124	62	86
Nicaragua	40	39	75	33	422
Costa Rica	302	155	672	191	146
Panama	503	461	415	815	1,065
Canal Zone	280	16	90	--	4
Bermuda	1,700	808	1,336	937	551
Bahamas	234	625	629	564	639
Cuba	5,848	6,187	2,573	824	--
Jamaica	1,062	1,726	2,180	3,345	2,101
Haiti	39	50	74	102	87
Dominican Republic	345	227	131	100	105
Leeward & Windward Is.	--	32	10	105	39
Barbados	133	418	909	500	751
Trinidad and Tobago	579	1,690	3,892	6,384	5,297
Netherlands Antilles	693	1,072	1,368	901	317
Colombia	276	8	22	147	417
Venezuela	6,146	6,064	6,851	8,009	12,634
British Guiana	78	130	137	125	150
Surinam	109	57	84	178	185
Ecuador	33	148	278	259	67
Peru	167	157	157	114	320
Brazil	121	29	204	87	202
Chile	--	--	--	20	161
Others	--	--	43	28	69
Total	55,853	62,450	49,108	48,843	59,480
Europe:					
Iceland	2,836	1,856	992	179	36
Sweden	85	232	433	209	286
Norway	--	14	163	107	102
Denmark	1,327	2,967	4,907	2,182	14,570
United Kingdom	13,369	26,662	33,791	29,210	21,979
Ireland	510	559	330	1,624	24
Netherlands	2,115	1,445	15,888	20,006	38,191
Belgium-Luxembourg	4,670	676	18,818	6,606	13,577
France	353	1,237	6,888	6,807	15,461

(Continued)

Table 7.--FODDERS AND FEEDS, n.e.c.: U.S. exports by country of destination, year beginning July 1, 1957-1961 (Continued)

Country of destination	1957-58	1958-59	1959-60	1960-61	1961-62
	Short tons	Short tons	Short tons	Short tons	Short tons
Europe (Continued):					
Germany, West	1,833	1,056	12,974	2,758	18,568
Austria	--	--	75	--	60
Switzerland	987	13	24	11	632
Finland	--	13	45	62	103
U.S.S.R.	--	56	27	--	--
Spain	44	79	2,582	45	806
Portugal	--	5	--	5	--
Italy	1,961	4,462	3,614	2,849	6,614
Greece	47	3	21	201	252
Poland	--	--	--	--	167
Others	--	--	--	--	4
Total	30,137	41,335	101,572	72,861	131,432
Asia:					
Turkey	--	--	--	71	171
Lebanon	10	269	277	260	316
Iran	5	5	5	12	--
Israel	1,520	53	135	414	282
Kuwait	9	--	2	22	21
Saudi Arabia	104	--	--	--	2
Pakistan	1	--	12	6	--
Thailand	13	7	39	93	79
Malaya and Singapore	175	47	53	121	401
Philippines	2,504	915	724	897	920
Macao	--	--	--	54	--
Korea	118	22	141	56	6
Hong Kong	79	1,084	1,172	2,016	3,099
Taiwan	--	--	25	60	7
Japan	7,392	15,321	19,345	73,149	82,150
Nansei & Nanpo Islands	5	23	9	8	11
Others	--	--	10	18	123
Total	11,935	17,746	21,949	77,257	87,588
Africa:					
Congo, Republic of the	14	5	27	--	74
Liberia	34	96	43	61	96
Libya	--	10	34	8	83
Others	40	10	13	26	64
Total	88	121	117	95	317
Australia and Other Oceania	35	33	655	208	305
World total	98,048	121,685	173,401	199,264	279,122

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Foreign Agricultural Service   Washington D.C.

GRAIN
FG 16-62
November 1962

EUROPEAN COMMON MARKET

GRAIN REGULATION

The European Economic Community recently released its English translation of the official basic regulation (Regulation 19) governing the EEC grain sector. Regulation 19, which was adopted on April 4, 1962 and put into effect on July 30, 1962 is reproduced in this Circular. A number of supplemental EEC grain regulations necessary to implement the basic regulation have also been published, but are not yet available in an official English version.

Rice is not covered by Regulation 19; the EEC is still developing a separate scheme for the rice sector.

The following official EEC translation supersedes the informal translation of Regulation 19 in its provisional form, published by the Foreign Agricultural Service on February 23, 1962.

EDITED TRANSLATION

EUROPEAN ECONOMIC COMMUNITY

The Council

REGULATION No. 19

ON THE GRADUAL ESTABLISHMENT OF A COMMON ORGANIZATION OF THE MARKET IN CEREALS

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

HAVING REGARD TO the provisions of the Treaty setting up the European Economic Community, and in particular Articles 42 and 43 thereof;

HAVING REGARD TO the proposal of the Commission;

HAVING REGARD TO the opinion of the European Parliament;

WHEREAS the operation and development of the common market for agricultural products should be accompanied by the institution of a common agricultural policy including in particular a common organization of agricultural markets established product by product;

WHEREAS the cereals sector is of special importance in the economy of the Community, both as a source of direct income for producers and as a source of materials for processing and manufacture;

WHEREAS trade in agricultural products between Member States is impeded by a number of obstacles, namely customs duties, charges having equivalent effect, quotas and other quantitative restrictions, the progressive abolition of which during the transition period would take place, failing co-ordinating action by the institutions of the Community, in accordance with varying procedures and timing; whereas, on the other hand, a uniform frontier measure covering intra-Community trade would facilitate a progressive and parallel removal of obstacles in all Member States at a pace adapted to the gradual establishment of the common agricultural policy;

WHEREAS such uniform frontier measure, in place of all the various national measures, must first ensure adequate support for the agricultural markets of Member States during the transition period, and secondly permit the gradual establishment of a single market by enabling the free movement of goods to develop within the Community;

WHEREAS these objects can be achieved by a system of intra-Community levies corresponding to the difference in prices in exporting and importing Member States, so as to avoid disturbances in the market of a country where prices are higher, caused by imports from a country where prices are lower;

WHEREAS the substitution of intra-Community levies for other measures which in accordance with the Treaty are to disappear during the transition period would be contrary to the principle of the progressive establishment of the common market if provision were not at the same time made for their gradual reduction;

WHEREAS such progressive reduction of levies in respect of cereals will depend upon the approximation of their prices; whereas on the other hand the levy on processed products based on cereals should consist of one component equal to the incidence of differences in the prices of the cereals processed and another component representing protection for the processing industry, and whereas provision needs to be made for the progressive and automatic reduction of the latter component;

WHEREAS the introduction of fresh protective measures at the internal frontiers of the Community, affording guarantees to producers in Member States, is only justified in relation to the principles laid down in the Treaty if they replace all other protective measures available to Member States at present;

WHEREAS the system to be introduced must enable the preference resulting from the implementation of the Treaty to be maintained in favour of Member States; whereas this requirement may be met by levying, on imports from third countries, charges corresponding to the difference between prices on the world market and those in the importing Member State (such charges to replace all other protective measures at the frontier) and by a standard abatement of the intra-Community levy, fixed so as to permit of the gradual development of intra-Community trade;

WHEREAS the levy system, in conformity with the aims of Article 45 of the Treaty, facilitates the development of intra-Community trade, while at the same time affording guarantees to producers in Member States, so that the said Article will become inoperative;

WHEREAS the operation of the levy system requires that the provisions of the Treaty permitting aids to be assessed and action to be taken against those which are incompatible with the common market be extended to aids which distort the working of such system; whereas, however, in the case of exports from a Member State where the price is higher to another Member State where the price is lower, continuance of the practice whereby the export price is aligned with the world price is permissible subject to certain specified conditions;

WHEREAS any processing traffic whereby trade between Member States in processed products incorporating imported commodities is based on world prices for such commodities is incompatible with the application of the levy system;

WHEREAS in order to ensure that the necessary guarantees in respect of employment and standard of living are maintained for producers in the Community, it is appropriate to fix annually in each Member State target prices for the cereals of greatest economic importance and to publish these prices before the winter sowing in order to enable producers to plan their crops;

WHEREAS the establishment of a single market requires that these national target prices be progressively approximated to a common target price; whereas it is therefore necessary that the gap between the highest national target price and the lowest national target price shall not be widened;

WHEREAS in order to afford producers a guarantee that the market price will be constantly maintained at a level as close as possible to the target price, it is desirable to fix an intervention price for the above-mentioned cereals which shall govern the action of the competent authorities in Member States in relation to the target price;

WHEREAS the link between the levy system and this price system can satisfactorily be ensured by determining the threshold price in the importing Member State; whereas in fact intra-Community levies and levies vis-à-vis third countries will be based on that price so that the selling price of imported cereals and flour enables the target price fixed for the above-mentioned cereals to be reached;

WHEREAS in order to facilitate the implementation of the provisions envisaged it is desirable to lay down procedure for close operation between Member States and the Commission within a Management Committee;

WHEREAS the common organization of the market in cereals must be fully established by the end of the transition period,

HAS ADOPTED THE PRESENT REGULATION:

Article 1

With a view to ensuring the progressive development of the Common Market and the common agricultural policy, a common organization of the market in cereals shall be gradually established, comprising a levy system applicable to trade between Member States and to trade between Member States and third countries in the following products:

	Common Customs Tariff No.	Description of goods
a)	ex 10.01	Soft wheat and meslin
	10.02	Rye
	10.03	Barley
	10.04	Oats
	10.05	Maize
	10.07	Buckwheat, millet, canary seed and grain sorghum; other cereals
b)	ex 10.01	Hard wheat
c)	11.01 A	Wheat or spelt flour
	11.01 B	Meslin flour
	ex 11.01 C	Rye flour
	ex 11.02 A I	Wheat groats and meal

d) The processed products listed in the Annex to the present Regulation.

Article 2

1. As regards the products set out in Article 1. a) and c), the amount of the intra-Community levy shall be equal to the difference between the free-to-frontier price of the product from the exporting Member State on arrival at the importing Member State, determined according to the provisions of Article 3, and the threshold price in the importing Member State, fixed in accordance with the provisions of Article 4 or Article 8, such difference being reduced by a standard amount determined in accordance with Article 9.

2. The intra-Community levies calculated in accordance with the provisions of paragraph 1 of this Article shall be progressively reduced pari passu with the approximation of cereal prices decided by the Council under Article 6.

Article 3

The free-to-frontier price of the product from the exporting Member State on arrival at the importing Member State shall be based on the prices ruling on the most representative markets of the exporting Member State for exports to the importing Member State in question, adjusted for any variations from the standard of quality in respect of which the threshold price is fixed. The Commission shall determine the free-to-frontier price according to criteria established by the procedure laid down in Article 26.

Article 4

With regard to soft wheat and barley, as also maize and rye in Member States which are major producers of those cereals, the threshold price shall be fixed annually by the Member States for an identical standard of quality in such a way that the selling price of the imported product in the marketing

center of the area having the largest deficit shall, after taking account of the standard amount provided for in Article 21 and the coefficients of equivalence provided for in Article 12, be level with the basic target price provided for in Article 5 below.

Each Member State shall, before 1 March in each year, notify the other Member States and the Commission of the threshold price for the following marketing season. Where the threshold price has not been fixed as stipulated above, it shall be reviewed in accordance with the procedure laid down in Article 26.

Article 5

1. The Member States shall annually determine in respect of each of the products referred to in Article 4, at the wholesale purchasing stage, a basic target price, applicable in the marketing center of the area having the largest deficit, for a specified standard of quality, taking into account the price to be aimed at for the producer, within the context of the Council's decisions on price-fixing. Such price, fixed before the winter sowing, shall come into force at the beginning of the marketing season. It shall be notified to the other Member States and to the Commission.

2. Where, because of the natural conditions of price formation on the market, the gap between respective market prices in the marketing center of the area showing the largest deficit and in the marketing center having the largest surplus exceeds 5%, Member States shall, on the basis of the target price referred to in the preceding paragraph, determine secondary target prices for the major regional marketing centers related to price differences due to natural conditions of price formation.

3. The Member States shall draw up a monthly scale of target prices, taking storage and interest charges into account, for a period of not less than five months and not more than ten months of the marketing season. The Council shall, on a proposal of the Commission, by unanimous vote during the second stage and by qualified majority thereafter, adopt the directives necessary for progressive harmonization of the appropriate measures taken by the Member States.

Article 6

1. For the standards of quality of wheat, barley and rye at present in force in each Member State, and in respect of the marketing season starting on 1 July 1962, the Council shall, by unanimous vote on a proposal of the Commission, before 1 April 1962, set upper and lower limits for target prices which shall respectively apply in the marketing centers of the areas having the largest deficits and surpluses in the Member States; for maize, only a lower limit shall be set.

These limits shall apply to all Member States.

2. For the marketing season beginning on 1 July, 1962, the upper limits referred to in paragraph 1 of this Article shall be set at a level not more than 7.5% above the wholesale price level corresponding to the minimum guaranteed price to the producer at the beginning of the 1961/62 marketing season in the area with the largest deficit in the Member State currently importing the highest total tonnage of cereals.

3.a) For the marketing season beginning on 1 July, 1962, the lower limits provided for in paragraph 1 of this Article shall be fixed for wheat, barley and rye at a level not less than 5% above the wholesale price level corresponding to the minimum guaranteed price to the producer applicable at the beginning of the 1961/62 marketing season in the area having the largest surplus in the Member State currently exporting the highest total tonnage of cereals.

b) For the marketing season beginning on 1 July, 1962, the lower limit provided for in section 1 of this Article shall be fixed for maize at a level not less than the wholesale price level corresponding to the average price paid to the producer during the 1960/61 and 1961/62 marketing seasons in the area having the largest surplus in the Member State currently having the greatest production.

4. During the transition period, disparities between the target prices fixed by Member States in accordance with the present Regulation shall be progressively reduced so that a common target price shall be attained by the end of that period.

The Council shall, on a proposal of the Commission, by unanimous vote during the second stage and by qualified majority thereafter, adopt

(i) before 1 April, 1963, the measures to be applied by Member States in the matter of prices for the cereal marketing season commencing 1 July, 1963;

(ii) each year before 1 July and in the first instance before 1 September 1963, the measures to be applied by Member States in the matter of prices for the marketing of cereals of which the production season starts on 1 October of the year in question.

In arriving at these decisions the Council shall be guided <u>inter alia</u> by experience and by certain specified criteria.

The Council shall, on a proposal of the Commission, by unanimous vote lay down these criteria before 1 September 1962. Without prejudice to the objectives of the common agricultural policy, as set out in Article 39 of the Treaty, designed to ensure an equitable standard of living for the agricultural population, such criteria shall take account of the desirability of promoting specialization, in keeping with economic structures and natural conditions in the Community, and thus lead to the determination of a future target price for the Community on the assumption of rationally conducted and economically viable farming in the Community and having due regard to an appropriate price relationship as between the various products.

5. In Member States where the price guarantee applies only to a certain quantity of the products marketed, as provided for under Article 23.5, the actual prices paid to producers may be lower than the market prices or the intervention prices based on the target price defined in each Member State in pursuance of paragraphs 1, 2, 3 and 4.

Article 7

1. In order to guarantee producers a selling price for their products as near as possible to the target prices, taking market fluctuations into account, Member States shall, before the beginning of the marketing season, determine intervention prices in respect of the products for which target prices are fixed. These intervention prices shall be equal to the target prices, less a fixed percentage to be determined by each Member State within a range between 5% and 10.

2. Member States may, however, lay down intervention prices in marketing centers other than that in the area having the largest deficit, at a level above the intervention price which would have been laid down allowing for the secondary target prices. This increase in intervention prices shall not exceed, in the center where the secondary target price is the lowest, 50% of the difference between the target price and the intervention price determined in accordance with paragraph 1. In intermediate centers,the difference between target prices and intervention prices should increase proportionately as the level of secondary target prices approximates to that applying at the center in the area having the largest deficit.

From the commencement of the third stage the Council shall annually examine the measures taken in pursuance of the provisions of the preceding paragraph in order to ensure that the Member States, by the end of the transition period, shall fix secondary intervention prices having the relationship to target prices which is laid down for the center with the largest deficit.

3. Throughout the marketing season, the intervention agencies of Member States shall be under an obligation to purchase at the price determined in accordance with paragraph 1 or 2 of this Article any home-grown cereals offered to them; they may also intervene, throughout the marketing season, in particular by way of purchases, whenever the market situation so requires.

4. The intervention agencies of each Member State may not sell within that State the products purchased in accordance with the provisions of paragraph 3 of this Article on terms which would prevent prices from moving towards the target price for the marketing center of the place of sale.

They may, however, sell wheat or rye at a lower price, provided that these have been rendered unfit for human consumption, or may, subject to the same proviso, grant a denaturing premium to an amount and on conditions laid down in accordance with the procedure set out in Article 26.

Article 8

1. For such of the products listed in Article 1. a) as are not mentioned in Article 4, including maize and rye in Member States which are not major producers thereof, the threshold price shall be so determined for each of the products, taking into account the standard amount provided for under Article 2.1., that the level of target prices fixed for home-grown cereals referred to in Article 4 may be attained, that is to say:

(i) for cereals considered as bread-grains, the level of the target prices for bread-grains;

(ii) for other cereals, the level of the other target prices.

The threshold price shall be annually fixed by Member States for an identical standard of quality and notified to the other Member States and to the Commission before 1 April in respect of the subsequent marketing season.

2. As regards the products referred to in Article 1.c) the Council shall, by qualified majority vote on the proposal of the Commission, determine the criteria to be adopted by Member States in determining the threshold price. In determining these criteria, account shall be taken of:

(i) the need for protecting the processing industry:
(ii) the objectives referred to in paragraph 1 above or, for products manufactured from hard wheat, the need for complying with price levels for hard wheat.

The threshold price shall be notified to the other Member States and to the Commission before 1 March and shall be subject to review in accordance with the procedure laid down in Article 26 in the event of non-compliance with the criteria adopted by the Council.

Article 9

1. The standard amounts provided for in Article 2 shall be determined in such a manner as to promote progressive and regular development on intra-Community trade until a single market be established, having regard to availabilities on the markets of Member States of home-grown cereals or cereals imported from other Member States. As regards the products set out in Article 1. c) account shall be taken of the need for reducing annually by two-fifteenths, from the first year of application of the levy system, the level of protection for the processing industry. Such amounts shall be annually determined, using the procedure laid down in Article 26, in accordance with criteria adopted by the Council on a proposal of the Commission voting according to the procedure laid down in Article 43 of the Treaty. They shall be published prior to the beginning of the marketing season.

2. If during the marketing season intra-Community trade fails to develop in the manner referred to in paragraph 1, the standard amounts provided for in

the said paragraph shall be subject to review according to the procedure laid down in Article 26. In this event, the threshold price shall be fixed anew in accordance with the procedure laid down in Article 4 or Article 8.

Article 10

1. The provisions of the present Article shall apply to the products listed in Article 1. a) and c).

2. The amount of the levy vis-à-vis third countries for each product shall be equal to the difference between the c.i.f. price of the product calculated on the basis of the most favourable offers on the world market and the threshold price in the importing Member State fixed in accordance with the provisions of Article 4 or Article 8.

3. The c.i.f. price referred to in paragraph 2, calculated for a frontier crossing point selected by each Member State shall be determined for each product on the basis of international quotations adjusted to take account of any variations in quality from the standard for which the threshold price is fixed. The Commission shall determine the c.i.f. price according to criteria established in accordance with the procedure laid down in Article 26.

4. Where free quotations on the world market are not a determining factor in the offer price and where such offer price is lower than the international quotations, the c.i.f. price shall, in the case of the imports in question only, be replaced by a price to be determined by the Commission in relation to the offer price and in accordance with criteria established by the procedure laid down in Article 26.

Article 11

1. As regards hard wheat, the amount of the intra-Community levy in the case of imports from a Member State which is a producer of hard wheat shall equal the difference between the threshold price in the importing Member State and the free-to-frontier price of the produce on arrival at that State from an exporting Member State determined according to the provisions of Article 3, less a standard amount fixed annually in accordance with the procedure laid down in Article 26. The amount of the intra-Community levy in the case of imports from a Member State which is not a producer of hard wheat shall be equal to that charged vis-à-vis third countries.

2. The amount of the levy vis-à-vis third countries shall be equal to the difference between the threshold price in the importing Member State and the c.i.f. price of the produce based on the most favourable terms of purchase on the world market; the provisions of Article 10.3 and 4. relating to the products set out in Article 1. a) and c), shall apply to hard wheat.

3. To permit of exports to Member States from other Member States which are not producers of hard wheat as also from those whose export price is higher than the threshold price of the importing

Member State, a refund may be granted in respect of such exports, equal to the refund allowed for exports to third countries under the terms of Article 20. 2. The amount of the intra-Community levy shall be equal, in the case of imports from a Member State which is a producer of hard wheat, to that charged vis-à-vis third countries, less the standard amount referred to in paragraph 1 above.

4. The threshold price of hard wheat shall be fixed by Member States, for an identical standard of quality, at a level not less than 5% above that of soft wheat.

5. Producer Member States shall annually fix, for hard wheat of a specified standard of quality, target prices to apply in the major regional marketing centers of producing areas having regard to price differences arising from the natural conditions of price formation. They shall likewise fix intervention prices in accordance with the provisions of Article 7.

6. Should prices of hard wheat in certain production areas particularly remote from consumption areas fall substantially by reason of the provisions of paragraph 5 above, Member States may, during the first three years of the levy system, grant aids on a diminishing scale designed to mitigate the effects of such fall.

7. The Council, acting in accordance with the procedure laid down in Article 43 of the Treaty, shall, within three years from the date of entry into force of the present Regulation, adopt the provisions necessary for attaining by the end of the transition period a single market in hard wheat for the Community. It may authorize aids to producers on terms and conditions which it shall define.

8. The varieties and characteristics of wheat which qualify for the designation "hard wheat" shall be determined before the entry into force of the levy system in accordance with the procedure laid down in Article 26.

9. Member States shall take the necessary steps to ensure that the provisions of the present Article are applied only to hard wheat. The criteria and procedures therefor shall be laid down in accordance with the provisions of Article 26.

Article 12

The following shall be determined in accordance with the procedure laid down in Article 26:

a) the identical standards of quality for all Member States provided for in Article 4, Article 8. 1. and Article 11. 4 in respect of which threshold prices are to be fixed;

b) the coefficients of equivalence between different qualities so as to permit of adjustments as provided for under Article 3, Article 4, first paragraph, Article 8.1 and Article 10.3.

Article 13

The Council shall adopt, in accordance with the procedure laid down in Article 43 of the Treaty, the necessary provisions so that in step with the approximation of cereal prices a single price system be attained for the Community at the single market stage which, in respect of each of the products and in so far as the present Regulation provides for such measures, shall include:

a) a basic target price applicable to the whole Community;
b) a single threshold price;
c) a single method of determining intervention prices;
d) a single frontier crossing point for the Community as a basis for determining the c.i.f. prices of products from third countries.

Article 14

1. As regards the products referred to in Article 1.d) the amount of the levies both between Member States and vis-à-vis third countries shall be made up of two components:

A. One variable component, which may be determined and revised on a flat-rate basis,

a) corresponding, in respect of processed products manufactured from the basic products listed in Article 1. a), to the incidence on the prime cost of these products of the levies on the basic products entering into their manufacture; the resulting amount shall be revised according to variations in the levies applicable to the basic products;

b) fixed, in respect of processed products not containing basic products listed in Article 1. a), on a basis which takes into account market conditions for the processed products referred to in the foregoing subparagraph most closely resembling them;

B. One fixed component, the calculation of which shall take into account the need for protecting the processing industry. In trade between Member States this component shall be reduced by two-fifteenths annually, starting from the first year in which the levy system is operated.

2. Where effective offers from third countries of the products referred to in Article 1. d) do not correspond to the prices resulting from the price of the basic products entering into their composition increased by the cost of manufacture, an additional amount, determined in accordance with the procedure laid down in Article 26, may be added to the levy fixed in accordance with the provisions of paragraph 1 of this Article.

3. On a proposal of the Commission the Council shall, by qualified majority vote, adopt the necessary provisions determining, within the context of the present Article, the method of application for each of the products concerned.

Article 15

1. The amounts of the levies between Member States and vis-à-vis third countries shall be calculated by Member States in accordance with the provisions of Articles 2, 10, 11 and 14, and shall be notified to the other Member States and to the Commission.

2. These amounts shall be amended by the Member States according to variations in the factors on which they have been based, criteria for the amendment of levies and methods of applying them shall be adopted in accordance with the procedure laid down in Article 26.

Amendments to levies shall be immediately notified to the other Member States and to the Commission.

3. Levies between Member States and vis-à-vis third countries shall be collected by and credited to the importing Member State.

4. Provisions necessary to prevent any diversion of trade in products from Member States or third countries which might arise from differing rates of levy as between Member States or as between Member States and third countries, shall be adopted before 1 July 1962 in accordance with the procedure laid down in Article 26.

Article 16

1. Imports from Member States or from third countries and exports to Member States and to third countries of the products referred to in Article 1, shall in all cases be subject to presentation of an import or export certificate issued by the Member State on application by the party concerned. Member States shall regularly notify the Commission of the quantities covered by the certificates issued.

2. Import certificates for the products mentioned in Article 1. a) and b) shall be valid from the date of issue until the end of the third month following that during which they were issued. Issue of a certificate shall be subject to the lodging of a surety for importation within the term of the certificate, and this surety shall be forfeit if the import does not take place within such time-limit.

The Council shall each year consider, on the basis of a report by the Commission, whether or not it is necessary to amend the period of validity of import certificates. On a proposal of the Commission, the Council shall adopt any amendments by unanimous vote during the second stage and by qualified majority thereafter.

3. The manner in which effect is to be given to the present Article and the term of validity of import certificates for the products referred to in Article 1. c) and d), shall be established in accordance with the procedure laid down in Article 26.

Article 17

1. The amount of the levy to be charged between Member States or vis-à-vis third countries shall be the amount applicable on the day of import.

2. However, in the case of imports from third countries of the products named in Article 1. a) and b), the levy applicable on the day the application for the certificate is lodged, adjusted according to the threshold price obtaining at the expected date of import, shall, at the request of the party concerned, be applied to imports to be effected within the term of validity of the certificate, such request to be presented when applying for the certificate. In this event there shall be added to the levy a premium determined at the same time as the levy.

The scale of premiums shall be decided by the Commission on the basis of criteria to be determined by the Council before 1 May 1962 by unanimous vote on a proposal of the Commission.

Article 18

1. In trade between Member States, whether import or export, the following shall be incompatible with the intra-Community levy system:

(i) the imposition of any customs duty or charge having equivalent effect;

(ii) the imposition of any quantitative restrictions or measure having equivalent effect, subject to the provisions of the Protocol concerning the Grand Duchy of Luxembourg;

(iii) recourse to Article 44 of the Treaty.

A "measure having equivalent effect" to a quantitative restriction shall include any restriction of the grant of import or export certificates to a specified category of beneficiary.

2. Subject to the provisions of Article 19.2, the export from one Member State to another of products referred to in Article 1 shall be incompatible with the application of the intra-Community levy system:

a) if the levies applicable to such products in the exporting Member State have not been paid or have been wholly or partly refunded;

b) if there has entered into the manufacture of those products, either during manufacture or at a previous stage of processing, materials referred to in Article 1 a) which the levies applicable in the exporting Member State have not been paid or have been wholly or partly refunded.

3. The application of the intra-Community levy system shall render Article 45 of the Treaty inoperative, as also any long-term agreements or contracts

which were concluded in accordance with the said Article and which may be in force at the date on which the system is introduced.

Article 19

1. As soon as the levy system is applied and subject to the provisions of paragraph 2 of the present Article and of Articles 11 and 23.4, Articles 92, 93 and 94 of the Treaty shall apply to aids granted by the States or out of State resources, which:

a) directly or indirectly reduce the prices of products listed in Article 1 a) b) and c) below those used directly or indirectly as a basis for calculating the levy; or

b) directly affect the relationship between prices of manufactured products covered by Article 1. d) and market prices for the basic products entering into their manufacture.

2.a) A member State which, in accordance with the provisions of this Regulation, is entitled to apply levies vis-à-vis another Member State may, upon exports to such Member State, refund an amount equal to the refund granted in respect of exports to third countries under the conditions laid down in Article 20.2. Where a refund on export is granted, the amount of the levy charged by the importing Member State shall be equal to that charged vis-à-vis third countries in accordance with the provisions of this Regulation, less the standard amount provided for in Article 2. 1.

b) However, an exporting Member State may refund an amount equal to the difference between the free-to-frontier price of the product on arrival at the importing Member State, determined according to the provisions of Article 3, and the threshold price in the importing Member State, this difference being increased by the standard amount provided for in Article 2.1:

(i) when in the said exporting Member State the target price in the marketing center of the region having the largest surplus is at the lower limit of the range determined in pursuance of Article 6.

(ii) in other cases, in respect of quantities corresponding to the traditional flow of trade in the product or products concerned.

The exporting State shall periodically inform the other Member States and the Commission of the quantities exported and the amount of the refunds.

The manner in which effect is to be given to the present sub-paragraph shall be decided in accordance with the procedure laid down in Article 26.

c) As regards exports of surplus production from the Grand Duchy of Luxembourg to a Member State having lower prices, the refund shall be equal to that calculated in accordance with the provisions of the first sentence of b) above.

d) In the case of products referred to in Article 1. d), the amount of the refund and of the levy to be charged where a refund is granted shall be determined in accordance with the procedure set out in Article 20. 2 second sentence.

e) Concurrently with its decisions relating to the approximation of prices, the Council shall make any necessary modifications to the provisions of a) b) c) and d) above, acting by qualified majority on a proposal of the Commission.

Article 20

1. The application of the levy system to third countries shall entail the abolition of all customs duties or charges having equivalent effect on imports from third countries.

2. In order to permit exports to third countries on the basis of quotations ruling on the world market, the difference between such quotations and prices in the exporting Member State may be covered by a refund, on terms laid down in accordance with the provisions of Article 26. However, in the case of the products referred to in Article 1 d) the Council, acting by qualified majority on a proposal of the Commission, shall determine the criteria for determining the amount of the refunds to be granted at the same time as, in accordance with the provisions of Article 14. 3, it decides on the manner of application of the levy system to such products.

Article 21

1. Application of the levy system to third countries shall, subject to the provisions of the Protocol concerning the Grand Duchy of Luxembourg, entail the abolition of all quantitative restrictions or measures having equivalent effect on imports from third countries, except as otherwise decided by the Council on a proposal of the Commission, by unanimous vote during the second stage and by qualified majority thereafter.

A "measure having equivalent effect" to a quantitative restriction shall include any restriction of the grant of import or export certificates to a specified category of beneficiary.

Article 22

1. If, by the effect of the measures progressively establishing a common organization of the market in cereals, imports should cause or threaten to cause in one or more Member States serious disturbances to the said market likely to jeopardize the objectives laid down in Article 39 of the Treaty, the Member State or States concerned may, during the transition period, take the necessary protective measures in regard to importation of the relevant products.

2. The Member State or States concerned shall notify the other Member States

and the Commission of such measures not later than the date of their entry into force.

The Member State or States applying such measures shall take the necessary steps to ensure that goods in transit are not affected thereby; if the frontier is closed, the period of grace allowed for goods in transit shall be not less than three days. Such States must be prepared to enter into negotiations immediately with a view to making temporary arrangements in order to obviate excessive or unnecessary losses to exporters. Such arrangements shall be immediately notified to the other Member States and the Commission.

On the basis of the provisions of paragraph 1 of this Article, and having regard to the importance of not increasing the level of protection between Member States, the Commission shall, after consulting the Member States within the Management Committee set up under Article 25, decide by emergency procedure, within not more than four working days of the notification referred to in the first sub-paragraph above, whether the measures shall be maintained, amended or abolished. The Commission may also decide on measures to be applied by the other Member States.

The Commission's decision shall be notified to all Member States and shall take effect immediately.

3. Any Member State may refer the Commission's decision to the Council within three working days of its date of notification. The Council shall meet immediately. It may, on the basis of the provisions of paragraph 1, and having regard to the importance of not increasing the level of protection between Member States, amend or annul the Commission's decision by qualified majority vote.

If the Member State which has taken the steps referred to in paragraph 1 above refers the matter to the Council, the Commission's decision shall be held in abeyance; such period of abeyance shall terminate ten days after such reference to the Council if the latter has not by then amended or annulled the the Commission's decision.

4. All protective measures affecting trade between Member States shall be applied simultaneously or earlier to third countries, the principle of Community preference being respected.

5. If after the end of the transition period imports from third countries should cause or threaten to cause serious disturbances in the Community to the market in goods covered by Article 1, and particularly if this leads the intervening agencies to make substantial market purchases of the products covered by Article 4, the issue of import certificates in respect of third countries may be suspended, subject to possible derogations in respect of specified destinations, until such time as the disturbance or threat of disturbance shall have subsided.

The manner in which effect shall be given to the above sub-paragraph shall be determined on a proposal of the Commission by the Council voting according to the procedure laid down in Article 43 of the Treaty.

Article 23

1. Member States shall take steps to adapt their legislation, regulations and administrative rules so that the provisions of the present Regulation may be applied from 1 July 1962.

2. Should any Member State meet with serious difficulties in such adaptation, it may request an extension of the time-limit laid down in the previous paragraph for the said adaptation.

On a proposal of the Commission the Council may, by unanimous vote, authorize such extension for one year, provided that it does not impede the development of trade and is not prejudicial to the interests of other Member States. Such authorization may be renewed for a further year on the same conditions and in accordance with the same procedure.

The Commission shall ensure that the conditions governing the authorization are observed and shall to that end, after consulting the Member States through the Management Committee, issue the necessary directives to the Member States concerned.

3. If in a Member State which is a producer of barley, maize or rye there is at the date when the present Regulation comes into force no measure of intervention on the market for those products, such State may defer the implementation of the provisions of Article 5.3 and Article 7 until 30 June, 1965.

4. If in a Member State, when the present Regulation comes into force, the end-consumers are not paying for imported cereals the price obtaining for home-grown cereals, such State may grant in respect of domestic consumption only, a uniform subsidy whatever the origin of such cereals. The incidence of such subsidy on consumer prices shall not, in the first year, exceed the incidence of the levy system on the prices ruling before the present Regulation came into force.

In this case, the variable component of the levy provided for in Article 14.1 A) shall be reduced accordingly. The Council, when adopting the measures to be taken in pursuance of Article 14.3 and of Article 8.2, shall decide on the necessary adjustments.

Such a Member State shall gradually reduce the subsidy referred to in the first sub-paragraph of this paragraph so that the disparity in price shall be eliminated not later than the end of the transition period.

5. If when the present Regulation comes into force a Member State is applying a guaranteed price in respect of a certain quantity only, it shall adapt its regulations, without prejudice to the provisions of paragraph 1, in such

way that the requirements of the present Regulation be complied with on this point also not later than the end of the transition period.

Article 24

On a proposal of the Commission, the Council, by unanimous vote during the second stage and by qualified majority thereafter, may amend the list of products referred to in Article 1. d) and take in respect of each of the products referred to in Article 1. measures in deregation of the provisions of the present Regulation.

Article 25

1. A Management Committee for cereals shall be set up, hereinafter called "the Committee", consisting of representatives of Member States with a representative of the Commission as Chairman.

2. In this Committee, the votes of Member States shall be weighted as provided for in Article 148.2 of the Treaty. The Chairman shall not vote.

Article 26

1. In cases where the present Regulation expressly provides for the application of the procedure set out in this Article, the Chairman shall refer the matter to the Committee, either on his own initiative or at the request of the representative of a Member State.

2. The Commission's representative shall submit a draft of the measures proposed. The Committee shall render its opinion on these measures within such time-limit as the Chairman may decide according to the urgency of the matters under consideration. A majority of twelve votes shall be required.

3. The Commission shall decide on measures which are applicable immediately. Should such measures, however, (not agree with) the opinion adopted by the Committee, they shall at once be communicated by the Commission to the Council. In such case the Commission may defer application of the measures decided upon for not more than one month from the date of communication.

The Council may within one month take a different decision acting by qualified majority.

Article 27

The Committee may examine any other question raised by its Chairman either on his own initiative or at the request of a representative of a Member State.

Article 28

At the end of the transition period the Council shall, by qualified majority vote on a proposal of the Commission, decide in the light of experience whether to maintain or amend the provisions contained in Article 26.

Article 29

The present Regulation shall come into force on the day following publication in the Journal Officiel des Communautés Européennes. The date of introduction of the levy system instituted by the present Regulation shall, however, be 1 July, 1962,

Should transitional provisions be necessary, these shall be adopted, if possible before 1 April 1962, in accordance with the procedure laid down in Article 26.

The Council shall take the decisions provided for by Article 8.2, Article 4.3 and Article 20.2 not later than 1 June, 1962.

The present Regulation shall be binding in all its parts and directly applicable in all Member States.

Done at Brussels, 4 April, 1962.

By the Council

COUVE DE MURVILLE

President

Growth Through Agricultural Progress

ANNEX

Common Customs Tariff No.	Description of goods
ex 11.01	Cereal flours ex C. of barley or oats D. of rice E. others
ex 11.02	Cereal groats and cereal meal; other worked cereal grains, pearled, crushed, flattened (including flakes), except husked, glazed, polished or broken rice; germ of cereals, including flours thereof: ex A. groats, meal; worked, pearled, crushed and flattened grain ex. I. of wheat (except groats and meal) II. of rye III. of other cereals a) barley and oat flakes b) others B. Germ of cereals, including flours thereof.
11.06	Flour and meal of sage, manioc, arrowroot, salep and other roots and tubers falling within heading No. 07.06 A. of manioc B. of others
11.07	Malt, roasted or unroasted
11.08 A	Starches: I. maize starch II. potato starch a) for the manufacture of dextrine, size, primings and dressings b) others III. rice starch IV. others
11.09	Gluten and gluten flour, roasted or unroasted
ex 23.02	Bran, sharps and other residues derived from the sifting, milling or other processing of cereal grains A. having a starch content greater than 7% by weight B. others
ex 23.07	Sweetened forage; other preparations used in animal feeding (additives, etc.): ex B. containing cereals or containing products covered by the present Regulation.

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U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service Washington D.C.

GRAIN
FG 17-62
November 1962

WORLD BARLEY AND OATS

PRODUCTION LARGER

World production of barley and oats in 1962 is about 5 percent above the small 1961 total and close to the 1955-59 average, according to preliminary estimates of the Foreign Agricultural Service.

Combined production of these grains for the current season is forecast at 143 million short tons, compared with 136 million last year. The increase is in barley, with larger crops throughout the Northern Hemisphere bringing the world total to a new high. No increase is expected in the Southern Hemisphere. The increase in barley is only partly offset by a small reduction in estimated world production of oats.

The world barley crop is forecast at a record 3,720 million bushels, 9 percent above the 1961 total. Although increases are general, the largest gains are in Western Europe, North America and the Soviet Union. Those three areas account for 80 percent of the increase over last year.

World production of oats is tentatively forecast at 3,375 million bushels, which would be the smallest outturn for more than forty years. Acreage continued the downward trend of recent years, to reach a new low of 86 million acres, contrasting with the 1955-59 average of 118 million. More than half that reduction was in the Soviet Union, about a third in North America--mostly in the United States--and the remainder in Europe.

North America's outturn of barley and oats in 1962 amounts to more than a fourth of the world total. Both barley and oats totals were well above 1961 but somewhat below the 1955-59 average. The barley crop of 603 million bushels is 17 percent larger than in 1961 and 11 percent below the 5-year average. The U.S. crop was slightly above average but Canada's harvest was about a third smaller because of sharply reduced acreage.

BARLEY: Acreage, yield per acre, and production in specified countries, year of harvest, average 1955-59, annual 1960-62 1/

Continent and country	Acreage 2/ Average 1955-59	Acreage 1960	Acreage 1961	Acreage 1962 4/	Yield per acre 3/ Average 1955-59	Yield 1960	Yield 1961	Yield 1962 4/	Production Average 1955-59	Production 1960	Production 1961	Production 1962 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	9,103	7,360	5,529	5,287	26.5	28.1	20.4	31.0	241,295	207,036	112,640	163,816
Mexico	602	605	604	605	14.1	14.0	14.1	14.1	8,500	8,500	8,500	8,540
United States	14,391	13,939	12,969	12,914	29.5	30.9	30.3	33.4	424,448	431,309	393,384	430,794
Estimated total 5/	24,100	21,900	19,100	18,810	28.0	29.5	27.0	32.1	674,000	647,000	515,000	603,000
Europe:												
Austria	419	517	464	464	40.8	52.3	50.6	48.1	17,110	27,050	23,500	22,300
Belgium	229	259	299	315	63.4	67.8	61.2	67.0	14,520	17,570	18,310	21,100
Denmark	1,692	1,868	1,975	2,021	65.1	68.8	65.3	64.6	110,090	128,600	129,000	130,500
Finland	518	525	497	508	29.0	38.5	33.8	32.1	15,010	20,200	16,800	16,300
France	4,452	5,161	5,582	5,228	44.4	50.9	44.5	49.7	197,890	262,500	248,600	260,000
Germany, West	2,142	2,421	2,768	2,760	52.1	61.1	45.1	62.7	111,700	147,900	125,000	173,000
Greece	491	448	454	453	22.3	23.9	23.8	26.3	10,950	10,700	10,800	11,900
Ireland	279	328	362	400	57.7	61.9	65.5	63.2	16,110	20,300	23,700	25,300
Italy	571	535	543	522	23.2	19.9	23.6	24.7	13,240	10,650	12,800	12,900
Netherlands	183	170	253	247	70.9	78.6	70.0	78.9	12,970	13,370	17,690	19,500
Norway	312	358	380	400	43.2	51.3	51.7	43.8	13,480	18,350	19,640	17,500
Portugal	370	296	344	358	10.4	7.8	7.0	8.1	3,850	2,300	2,420	2,900
Spain	3,785	3,529	2,866	3,163	21.8	20.4	24.2	31.2	82,470	71,930	69,260	98,750
Sweden	655	798	885	922	40.9	48.7	51.4	48.5	26,760	38,900	45,500	44,700
Switzerland	63	63	73	--	54.4	55.2	52.7	--	3,430	3,480	3,850	--
United Kingdom	2,611	3,372	3,827	3,986	56.8	58.7	60.6	59.5	148,200	198,000	232,100	237,200
Estimated total Western Europe 5/	18,800	20,570	21,600	21,850	42.6	48.3	46.3	50.1	800,000	993,000	1,000,000	1,100,000
Bulgaria	656	726	650	--	28.6	31.4	30.8	--	18,770	22,800	20,000	--
Czechoslovakia	1,639	1,750	1,720	--	37.6	45.7	42.4	--	61,700	80,000	73,000	--
Germany, East	825	960	1,068	--	45.8	57.3	40.7	--	37,760	55,000	43,500	--
Hungary	1,172	1,256	1,289	--	31.8	36.1	35.1	--	37,280	45,300	45,200	--
Poland	1,857	1,774	1,680	--	28.9	33.8	32.7	--	53,630	60,000	55,000	--
Rumania	781	657	702	--	21.7	28.3	29.9	--	16,940	18,600	21,000	--
Yugoslavia	923	897	917	914	23.7	27.1	28.4	26.3	21,890	24,300	26,000	24,000
Estimated total Eastern Europe 5/	7,880	8,040	8,050	7,920	31.7	38.2	35.4	33.5	250,000	307,000	285,000	265,000
Estimated total all Europe 5/	26,680	28,610	29,650	29,770	39.4	45.4	43.3	45.9	1,050,000	1,300,000	1,285,000	1,365,000
U.S.S.R. (Europe and Asia) 6/	25,000	30,000	33,100	--	17.6	17.5	17.8	--	439,000	525,000	590,000	--

Asia:												
Cyprus	142	--	--	--	21.5	--	--	--	3,046	1,900	--	--
Iran	2,015	2,224	--	--	21.1	18.7	--	--	42,530	41,500	46,000	43,500
Iraq	2,821	2,564	2,572	--	15.9	14.4	16.3	--	44,992	36,900	41,850	--
Israel	134	135	74	83	22.0	8.9	27.0	--	2,949	1,200	2,000	--
Syria	1,213	--	1,038	1,500	13.2	--	--	16.7	16,064	5,000	--	25,000
Turkey	6,295	6,400	--	--	22.1	22.2	--	--	139,000	142,000	142,500	147,000
China	--	--	--	--	--	--	--	--	311,000	--	--	--
India	8,274	8,345	7,965	8,255	15.2	15.0	16.5	17.3	125,356	124,800	131,630	143,100
Pakistan	561	636	536	544	11.8	11.0	11.8	11.4	6,620	7,000	6,300	6,200
Japan	2,336	2,071	1,711	1,512	40.0	46.2	48.5	47.9	93,528	95,620	82,970	72,400
Korea, Republic of	1,933	1,958	--	--	18.8	22.6	--	--	36,260	44,200	47,700	--
Estimated total 5/	43,790	44,090	44,240	44,980	19.3	18.6	18.9	19.5	845,000	820,000	835,000	875,000
Africa:												
Algeria	3,111	2,895	2,200	2,430	10.9	13.5	6.8	--	34,000	39,000	15,000	--
Egypt	141	154	126	156	43.2	46.4	48.4	48.1	6,090	7,140	6,100	7,500
Morocco	4,438	4,333	3,825	3,840	12.4	12.0	6.5	14.3	55,250	52,200	25,000	55,000
Tunisia	1,550	1,700	1,000	--	5.4	3.9	4.0	--	8,440	6,700	4,000	--
South Africa, Republic of	68	--	--	--	16.9	--	--	--	1,150	1,200	1,500	--
Estimated total 5/	11,270	11,250	9,300	9,460	11.1	11.6	8.1	12.7	125,000	130,000	75,000	120,000
South America:												
Argentina	2,213	1,778	1,840	--	22.8	20.0	20.0	--	50,510	35,500	36,740	--
Chile	157	158	159	--	31.4	29.7	32.7	--	4,932	4,700	5,200	--
Colombia	120	138	136	138	27.4	35.3	34.1	--	3,293	4,870	4,640	--
Ecuador	295	292	205	--	13.3	14.6	15.8	--	3,928	4,270	3,230	--
Peru	439	499	499	--	19.5	17.9	20.0	--	8,551	8,950	10,000	--
Uruguay	118	165	121	--	12.3	13.6	11.6	--	1,457	2,250	1,400	--
Estimated total 5/	3,580	3,290	3,220	3,300	21.2	19.8	20.2	19.7	76,000	65,000	65,000	65,000
Oceania:												
Australia	2,183	2,830	2,555	--	20.8	25.0	16.0	--	45,400	70,800	40,830	--
New Zealand	58	64	65	--	51.2	53.9	52.2	--	2,972	3,450	3,390	--
Total Oceania	2,241	2,894	2,620	2,060	21.6	25.7	16.9	19.4	48,372	74,250	44,220	40,000
Estimated world total 5/	136,660	142,030	141,230	146,680	23.9	25.1	24.1	25.4	3,260,000	3,560,000	3,410,000	3,720,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1962 is combined with preliminary forecasts for the Southern Hemisphere harvests which will begin late in 1962 and end early in 1963. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Prelininary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Estimated totals, which in the case of production, are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 6/ Unofficial estimates for production.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

OATS: Acreage, yield per acre, and production in specified countries, year of harvest, average 1955-59, annual 1960-62 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1955-59	1960	1961	1962 4/	Average 1955-59	1960	1961	1962 4/	Average 1955-59	1960	1961	1962 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada 5/	11,222	11,147	8,543	10,523	37.8	40.9	33.2	46.0	424,690	456,134	283,965	484,354
Mexico	231	272	--	230	23.0	22.1	--	23.5	5,308	6,000	5,500	5,400
United States	33,093	26,646	24,077	23,081	38.6	43.4	42.1	44.5	1,278,145	1,155,312	1,012,855	1,027,959
Estimated total 6/	44,550	38,070	32,880	33,840	38.3	42.5	39.6	44.9	1,708,000	1,617,000	1,302,000	1,518,000
Europe:												
Austria	447	397	384	384	53.1	59.4	60.2	57.0	23,740	23,600	23,100	21,900
Belgium	365	347	337	307	86.2	89.3	90.8	89.3	31,470	31,000	30,600	27,400
Denmark	575	490	483	410	89.1	95.7	97.5	95.1	51,210	46,900	47,100	39,000
Finland	1,111	1,212	1,169	1,127	43.3	63.0	55.4	51.5	48,160	76,400	64,800	58,000
France	4,424	3,526	3,562	3,372	50.7	53.4	50.1	49.8	224,270	188,400	178,500	167,900
Germany, West	2,211	1,847	1,787	2,026	70.8	81.2	73.8	81.4	156,630	150,000	131,800	165,000
Greece	355	315	324	323	31.0	32.7	32.6	33.7	11,000	10,300	10,550	10,900
Ireland	490	425	368	350	70.2	68.9	71.3	73.7	34,380	29,300	26,250	25,800
Italy	1,039	1,010	1,059	1,016	36.1	29.4	38.1	38.9	37,490	29,700	40,300	39,500
Luxembourg	49	40	--	--	59.0	75.0	--	--	2,890	3,000	--	--
Netherlands	368	282	305	293	87.3	94.4	97.4	82.3	32,140	26,630	29,700	24,100
Norway	157	161	153	153	59.4	73.9	78.2	63.4	9,320	11,900	11,960	9,700
Portugal	756	747	743	741	9.9	5.7	5.9	9.4	7,450	4,230	4,420	7,000
Spain	1,408	1,374	1,236	1,137	26.3	21.6	26.3	31.7	37,000	29,700	32,500	36,000
Sweden	1,299	1,378	1,405	1,317	45.2	58.8	66.4	57.7	58,750	81,000	93,300	76,000
Switzerland	48	35	39	--	80.2	94.9	78.2	--	3,850	3,320	3,050	--
United Kingdom	2,348	1,974	1,733	1,529	69.6	73.0	73.6	80.1	163,310	144,060	127,540	122,500
Estimated total Western Europe 6/	17,450	15,560	15,140	14,570	53.6	57.2	56.8	57.7	935,000	890,000	860,000	840,000
Bulgaria	394	447	425	--	28.8	30.6	30.6	--	11,340	13,700	13,000	--
Czechoslovakia	1,290	1,245	1,150	--	50.2	56.2	57.4	--	64,800	70,000	66,000	--
Germany, East	1,152	890	866	--	57.9	73.0	68.1	--	66,740	65,000	59,000	--
Hungary	374	350	273	--	37.6	40.0	34.8	--	14,080	14,000	9,500	--
Poland	4,139	4,055	3,959	--	40.7	46.9	48.0	--	168,640	190,000	190,000	--
Rumania	833	670	602	--	27.6	29.3	27.4	--	22,960	19,600	16,500	--
Yugoslavia	880	825	877	865	27.4	31.2	33.6	27.7	24,090	25,700	29,500	24,000
Estimated total Eastern Europe 6/	9,120	8,530	8,200	8,060	41.1	46.9	47.0	44.7	375,000	400,000	385,000	360,000
Estimated total all Europe 6/	26,570	24,090	23,340	22,630	49.3	53.5	53.3	53.0	1,310,000	1,290,000	1,245,000	1,200,000

U.S.S.R. (Europe and Asia) 7/	36,080	31,500	28,500	17,800	23.5	23.8	21.4	--	845,000	750,000	610,000	--
Asia:												
Syria	19	10	--	--	24.0	20.0	--	--	456	200	--	--
Turkey	866	976	949	--	29.3	35.3	29.1	--	25,406	34,500	27,600	27,500
China	--	--	--	--	--	--	--	--	65,000	--	--	--
Japan	216	195	202	207	56.4	56.8	57.3	59.8	12,188	11,080	11,570	12,380
Estimated total 6/	4,610	4,850	4,930	4,810	22.8	22.7	20.3	21.8	105,000	110,000	100,000	105,000
Africa:												
Algeria	257	165	--	--	18.8	20.6	--	--	4,840	3,400	1,500	--
Morocco	69	50	65	62	22.8	21.0	15.4	16.5	1,570	1,050	1,000	1,020
Tunisia	55	--	--	--	12.0	--	--	--	660	--	--	--
Republic of South Africa	400	--	--	--	15.1	--	--	--	6,040	8,000	8,000	--
Estimated total 6/	830	820	800	780	17.5	18.3	16.2	17.9	14,500	15,000	13,000	14,000
South America:												
Argentina	2,016	1,896	1,608	--	32.1	30.6	30.4	--	64,620	58,100	48,900	--
Chile	259	266	278	--	30.8	34.2	28.1	--	7,970	9,100	7,800	--
Uruguay	189	198	213	--	14.8	22.0	20.8	--	2,798	4,360	4,440	--
Estimated total 6/	2,540	2,450	2,190	2,270	30.3	30.6	29.7	28.6	77,000	75,000	65,000	65,000
Oceania:												
Australia	3,183	3,637	3,400	--	20.0	26.2	21.0	--	63,630	95,250	71,500	--
New Zealand	39	41	36	--	62.3	67.3	62.5	--	2,430	2,760	2,250	--
Total Oceania	3,222	3,678	3,436	3,440	20.5	26.6	21.5	21.1	66,060	98,010	73,750	72,500
Estimated world total 6/	118,400	105,460	96,080	85,570	34.8	37.5	35.5	39.4	4,125,000	3,955,000	3,410,000	3,375,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which immediately follow; thus, the crop harvested in the Northern Hemisphere in 1962 is combined with preliminary forecasts for the Southern Hemisphere harvests which will begin late in 1962 and end early in 1963. 2/ Figures refer to harvested areas as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Preliminary estimates for Northern Hemisphere countries; for Southern Hemisphere, preliminary forecasts based largely on acreage and weather conditions to date. 5/ Production and yield reported in bushels of 34 pounds. 6/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 7/ Unofficial estimates for production.

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research and related information.

Oats production in North America is estimated at 1,518 million bushels, an increase of 17 percent, as was the case for barley, but is 13 percent less than in 1955-59. Yields were at a new high of 44.9 bushels per acre for the continent. The U.S. production of 1,028 million bushels was harvested from 23 million acres, the smallest harvested acreage since 1884. Yields of 44.5 bushels per acre have been exceeded only in 1958. Canada's crop of 484 million bushels was harvested from an acreage 2 million acres larger than the small 1961 acreage. Near-record yields also contributed to the large outturn.

In Western Europe production of these grains is 5 percent larger than last year, because of a larger barley harvest; production of oats is slightly smaller. A total of 1,100 million bushels of barley is forecast, 100 million more than in 1961. Increases in West Germany, France, and Spain account for most of the increase. Unprecedented yields were the principal factor though acreage was slightly larger than a year ago.

Production of oats is estimated at 840 million bushels compared with 860 million last year and the 1955-59 average of 935 million. Moderately higher yields could only partly offset reduced acreage.

Eastern Europe's harvests of both barley and oats are smaller than last year. Though firm estimates are not yet available, indications are that barley production is about 265 million bushels, compared with the good outturn of 285 million last year. Conditions appeared less favorable than last year in all countries except East Germany, where improvement over the very poor 1961 conditions is reported.

Production of oats is estimated at 360 million bushels, down 25 million from a year ago. Lower yields and slightly reduced acreage account for the reduction.

The Soviet Union reports a sharp cut in acreage in oats with a shift of the acreage to other feeds. The reported oats acreage is less than half the average for 1955-59. Yields are indicated to be below average. An increase is indicated for barley acreage, continuing the upward trend of recent years. Even with slightly below average yields, production should be well above average.

Production of 875 million bushels of barley in Asia is larger than last year because of larger outturns in Near East countries and in India. Both Iraq and Syria will have exportable supplies again after last year's below average crops. India's production of 143 million bushels is at an alltime high. Oats production of 105 million bushels is slightly larger than last year.

Africa's barley total this year is estimated at 120 million bushels compared with 75 million in 1961. This is a return to normal after the disastrous conditions of a year ago. Production of oats is estimated at 14 million bushels, a normal outturn.

It is too early in the season to have dependable indications of Southern Hemisphere prospects. Based on preliminary information, South America's barley production will be about the same as in 1961 when 65 million bushels were harvested. Total production of oats is also tentatively forecast at 65 million bushels.

Australia's prospects are for slightly smaller outturns than in 1961. Tentative forecasts place barley production at 40 million bushels and oats at 72 million.

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SMALLER WORLD CORN PRODUCTION FORECAST

World corn production will be slightly smaller than in 1961-62, according to preliminary forecasts by the Foreign Agricultural Service.

A prospective crop of 7.3 billion bushels of dried corn is 100 million bushels below last year's total. Smaller harvests in the United States, Europe, and the Soviet Union are partly offset by larger outturns in other areas.

The forecast of 7.3 billion bushels of corn combined with earlier forecasts for barley and oats, shows that the world outturn of feedgrains this season on a tonnage basis may be slightly above the 1961-62 total, with a larger world barley crop more than offsetting reductions in oats and corn. At the same time, import demand for feedgrains is expected to be moderately below the 1961-62 level.

Corn production in North America is estimated at 3,885 million bushels, about 50 million, or 1 percent below the 1961 total. Reductions in the United States and Mexico account for the decline. The U.S. area of 57.5 million acres harvested for grain is the smallest in more than 80 years, but yields were at an alltime high of 62.4 bushels per acre. Weather permitted harvesting of most of the late planted corn and quality of the crop is generally good. The U.S. crop accounts for about half of the world total.

Mexico, the second producer in North America, is also expected to show a reduction from the high 1961 level. Reliable estimates are not yet available but a substantial drop is expected. Canada's crop of 32 million bushels is above average as a result of record yields.

Western Europe's total is tentatively placed at 285 million bushels, 50 million below the good 1961 outturn mainly because of smaller harvests

CORN: Acreage, yield per acre, and production in specified countries, year of harvest, average 1955-59, annual 1960-62 1/

Continent and country	Acreage 2/				Yield per acre 3/				Production			
	Average 1955-59	1960	1961	1962 4/	Average 1955-59	1960	1961	1962 4/	Average 1955-59	1960	1961	1962 4/
	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Bushels	Bushels	Bushels	Bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
North America:												
Canada	516	514	400	421	59.7	57.1	73.0	76.0	30,780	29,337	29,208	32,025
El Salvador	431	412	385	--	14.5	17.2	14.8	--	6,240	7,100	5,700	--
Guatemala	1,549	1,610	--	--	11.3	12.4	--	--	17,500	20,000	22,600	23,500
Honduras	822	924	--	--	11.7	12.4	--	--	9,634	11,500	11,600	--
Mexico	14,292	14,579	15,792	--	13.3	14.1	13.9	--	190,630	205,000	220,000	--
Nicaragua	369	324	359	--	12.5	14.2	7.0	--	4,620	4,600	2,500	--
United States 5/	66,409	71,649	58,691	57,504	48.7	54.5	61.8	62.4	3,234,891	3,908,070	3,624,313	3,590,238
Cuba	432	--	--	--	15.7	--	--	--	6,800	--	--	--
Estimated total 6/	85,810	91,410	79,680	78,500	41.0	46.0	49.4	49.5	3,515,000	4,205,000	3,937,000	3,885,000
Europe:												
Austria	125	144	127	135	47.0	58.2	61.5	52.6	5,874	8,390	7,810	7,100
France	1,455	2,036	2,409	2,100	41.8	54.4	40.4	34.0	60,766	110,700	97,240	71,500
Greece	537	522	481	455	19.1	21.2	22.1	24.3	10,274	11,080	10,640	11,050
Italy	3,272	3,150	3,170	2,970	42.6	47.7	48.9	43.8	139,282	150,100	155,100	130,000
Portugal	1,187	1,157	1,186	1,186	15.0	15.9	16.1	16.0	17,772	18,400	19,100	19,000
Spain	934	1,058	1,038	1,097	34.5	37.8	41.7	40.1	32,179	40,000	43,300	44,000
Estimated total Western Europe 6/	7,540	8,090	8,440	7,970	35.4	42.0	39.7	35.8	267,000	340,000	335,000	285,000
Albania	357	--	--	--	19.0	--	--	--	6,780	--	--	--
Bulgaria	1,787	1,853	1,945	--	22.6	25.0	21.3	--	40,340	46,400	41,500	--
Czechoslovakia	434	462	482	--	40.7	48.7	--	--	17,670	22,500	--	--
Hungary	3,194	3,462	3,310	3,215	36.2	39.9	32.3	34.8	115,600	138,000	107,000	112,000
Rumania	8,764	8,825	8,470	--	20.5	24.7	25.4	--	180,000	218,000	215,000	--
Yugoslavia	6,227	6,350	6,202	6,103	29.8	38.2	28.9	31.0	185,502	242,500	179,000	189,000
Estimated total Eastern Europe 6/	20,910	21,370	20,860	20,480	26.3	31.6	27.3	27.6	550,000	675,000	570,000	565,000
Estimated total all Europe 6/	28,450	29,460	29,300	28,450	28.7	34.5	30.9	29.9	817,000	1,015,000	905,000	850,000
U.S.S.R. (Europe and Asia) 7/	11,925	12,500	17,800	20,300	26.8	24.0	28.1	--	320,000	300,000	500,000	--
Asia:												
Turkey	1,737	1,717	1,742	1,606	17.7	17.2	16.1	15.9	30,690	29,500	28,000	25,500
China	--	--	--	--	--	--	--	--	435,000	--	--	--
India	9,881	10,774	11,040	10,800	13.0	14.7	14.5	15.3	128,100	158,060	160,000	165,000
Pakistan	1,097	1,207	1,191	1,100	16.4	14.6	16.4	16.4	18,020	17,600	19,500	18,000
Indonesia	5,611	6,500	6,220	6,425	14.8	14.9	14.5	14.1	82,850	97,000	90,500	90,500
Japan 7/	121	108	107	104	32.2	41.7	42.7	42.1	3,900	4,500	4,570	4,380
Philippines	3,889	5,054	4,977	4,728	9.8	9.4	9.4	9.4	38,190	47,600	47,020	44,670
Thailand	275	703	920	--	21.7	30.1	30.0	--	5,960	21,400	27,600	--
Estimated total 6/	46,580	52,970	53,600	53,110	17.0	16.4	15.9	16.4	790,000	870,000	850,000	870,000

Africa:												
Republic of the Congo	1,182	--	--	--	16.7	--	--	--	19,686	--	--	--
Kenya 8/	500	--	--	--	26.2	--	--	--	13,110	--	--	--
Egypt	1,921	1,890	1,868	1,972	33.3	35.2	28.7	32.9	63,916	66,600	53,540	64,960
Morocco	1,147	1,005	1,000	1,112	10.1	15.7	7.1	12.3	11,622	15,750	7,100	13,700
Former French West Africa	1,705	--	--	--	9.6	--	--	--	16,316	--	--	--
Malagasy Republic	204	237	247	--	13.0	13.1	14.3	--	2,643	3,100	3,540	3,620
Angola	1,453	--	--	--	8.4	--	--	--	12,220	--	--	--
Federation of Rhodesia & Nyasaland	2,960	--	--	--	17.6	--	--	--	52,000	55,000	80,000	80,000
South Africa, Republic of	9,540	--	--	--	14.9	--	--	--	141,946	190,000	220,000	--
Estimated total 6/	28,750	29,750	29,820	30,240	16.0	18.2	18.6	18.8	460,000	540,000	555,000	570,000
South America:												
Argentina	5,855	6,781	6,845	--	29.7	28.0	30.7	--	173,710	190,000	210,000	--
Brazil	15,152	16,776	18,285	--	19.7	20.0	19.1	--	299,000	335,000	350,000	--
Chile	169	183	184	203	28.2	31.1	35.3	--	4,762	5,700	6,500	--
Colombia	1,585	1,767	1,757	1,754	19.0	19.2	17.1	--	30,170	34,000	30,000	--
Ecuador	481	517	--	--	12.3	12.2	--	--	5,900	6,300	5,700	--
Peru	605	626	609	--	19.1	21.3	24.6	--	11,530	13,350	15,000	--
Uruguay	777	683	--	--	8.9	12.6	--	--	6,920	8,600	6,100	--
Venezuela	702	984	960	--	19.1	17.6	17.2	--	13,380	17,300	16,500	--
Estimated total 6/	26,020	29,050	30,570	31,250	21.5	21.5	21.4	21.6	560,000	625,000	655,000	675,000
Oceania:												
Australia	180	180	175	--	31.7	35.0	41.7	--	5,700	6,300	7,300	--
New Zealand	6	8	7	--	55.3	62.5	50.0	--	332	500	350	--
Estimated total 6/	190	190	185	185	32.1	36.3	41.6	41.1	6,100	6,900	7,700	7,600
Estimated world total 6/	227,720	245,330	240,960	242,040	28.4	30.8	30.8	30.2	6,465,000	7,565,000	7,410,000	7,310,000

1/ Years shown refer to years of harvest in the Northern Hemisphere. Harvests of Northern Hemisphere countries are combined with those of the Southern Hemisphere which follow; thus, the crop harvested in the Northern Hemisphere in 1962 is combined with preliminary forecasts for the Southern Hemisphere harvest which will begin early in 1963. 2/ Figures refer to harvested area as far as possible. 3/ Yield per acre calculated from acreage and production data shown. 4/ Preliminary estimates for Northern Hemisphere countries; for the Southern Hemisphere, preliminary forecasts. 5/ New series covering corn for grain only. 6/ Estimated totals, which in the case of production are rounded to millions, include allowances for any missing data for countries shown and for other producing countries not shown. 7/ Dried corn only. 8/ Production on European holdings only. Allowances for native cultivation, not shown, are included in estimated total for Africa.

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in Italy and France. These are the largest producers of the area and in each, reduced acreage combined with somewhat smaller yields to bring outturns well below the bumper crop in 1961. However, the current crop is still above the 1955-59 average.

Production is estimated to be slightly smaller than last year in Eastern Europe. Reduced acreage in the important producing Danube Basin is due to unfavorable weather at planting time. Yields appear to have been average or better in the principal producing countries.

The Soviet Union reported a substantial increase in acreage of corn for grain. Despite the reported increase of 2.5 million acres, production of dry corn appears to be less than the good 1961 outturn.

Asia's crop, estimated at 870 million bushels, is above the large 1961 harvest and well above average. Higher yields account for the increase over the 1961 total since acreage declined slightly.

Total production in Africa is expected to be slightly larger than in 1961, with better outturns in Northern Africa offsetting less favorable prospects in the Republic of South Africa, the leading corn producer of the continent. Large carryover stocks in South Africa, however, will hold supplies high, despite the smaller crop. Africa's estimated acreage is slightly larger than last year and yields are expected to average slightly larger.

In Southern Hemisphere countries corn is in the early growth stage and conditions up to March/April will determine final returns. Thus, forecasts for these countries are subject to considerable revision as the season progresses.

The present outlook is for a larger outturn in South America. Acreage in Argentina may be as much as 20 percent above the 1961 acreage. If growing conditions continue favorable, a good production increase may be expected. Prospects are for larger harvests in other countries also, if growing conditions are average or better.

Corn is of minor importance in Australia. The present outlook is for a crop approaching the 7.3 million bushels harvested in early 1962.